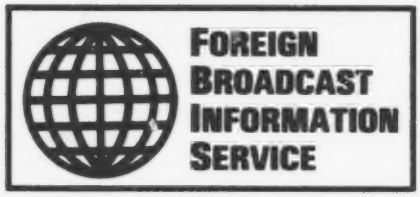

Daily Report

East Europe

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CONTENTS

INTRABLOC AFFAIRS

Joint Troop Exercise To Begin in Hungary 1
Hungary, CSSR, USSR Take Part *[Budapest]* 1
'Friendship '88' Maneuvers *[MTI]* 1
Briefs 1
CEMA Commission Ends Session 1

ARMS CONTROL & DISARMAMENT

Reports on SS-12 Missile Site in Moravia *[Prague Television]* 2
GDR, CSSR, FRG Envoys Discuss CW Ban *[ADN]* 2
CSSR Delegate Addresses Vienna CSCE Meeting *[RUDE PRAVO 23 Jan]* 2

BULGARIA

BCP Conference Continues, Officials Attend 3
Aleksandrov Speech 3
Aleksandrov Discusses Session 6
Yotov Speech 7
Zhivkov Closing Speech 8
Doynov Press Conference on Associations 9

CZECHOSLOVAKIA

Charter 77 To Stage Hunger Strike *[AFP]* 11
Further on Bilak Trip to Syria, Greece 11
Communique Issued in Syria *[RUDE PRAVO 28 Jan]* 11
Meets Greece's Alevras 12
Returns Home 13
Chnoupek Leaves for Geneva Conference 13
Further Reportage on Kohl's Visit 13
Relations Discussed *[Kovarik in RUDE PRAVO 27 Jan]* 13
Development of Ties With Albania Discussed *[RUDE PRAVO 28 Jan]* 13
CPCZ Central Committee Presidium Session 13
Jakes on Tasks of Party Apparatus *[RUDE PRAVO 27 Jan]* 14
Hardline Position on 1968 Reported 16
Chnoupek Receives Diplomatic Representatives 16

GERMAN DEMOCRATIC REPUBLIC

Zion Church Demonstrators Sentenced 18
Jailed for 6 Months *[AFP]* 18
Demonstrators Call For Release *[DPA]* 18
Kessler Visits Civil Defense Institute *[NEUES DEUTSCHLAND 28 Jan]* 18
Krenz Addresses Halle Militia Meeting 18
Leader's Public Appearances 21-27 January *[NEUES DEUTSCHLAND 22-28 Jan]* 19
FRG Coverage of Unrest Criticized *[NEUES DEUTSCHLAND 28 Jan]* 19
Fischer Pays Official Visit to Spain 20
Arrives 31 Jan 20
Makes Statement 21
Sindermann Welcomes Danish Delegation 21

HUNGARY

Varkonyi Meets Stockholm Summit Envoys 22
Delegate Addresses Vienna CSCE Meeting 22
Gyorke Meets Lebanese CP Official 23
USSR Komsomol Delegation Ends Visit, Departs 23
Nemeth Answers Questions on Economic Issues 23
Official Analyzes 1987 Retail Trade Turnover *[NEPSZABADSAG 27 Jan]* 24
Fejti Addresses Young Economists Conference 24
Statistical Office Issues Economic Report 25
Bank President on Economic Performance *[MAGYAR HIRLAP 27 Jan]* 26
Leaders' Public Appearances 21-26 January 27

POLAND

Price Increases for 1988 Announced 28
Protesters in Gdansk *[DPA]* 32
Solidarity Protest Noted *[DPA]* 32
Officials on Price Hikes 32
PAP Comments on Outlook 33
Economic Meeting With U.S. Announced 34
U.S. Deputy Secretary of State Arrives 34

ROMANIA

Romanian Police Blamed for Clergyman's Death *[DIE PRESSE 29 Jan]* 35
Swedish King's Birthday Message to Ceausescu *[SCINTEIA 28 Jan]* 35
Further on Totu's Official Visit to Israel 35
Meets Herzog, Shamir 35
Increasing Trade Discussed 35
Comparison of Ceausescu Speech at Meeting *[SCINTEIA 26 Jan]* 35
RCP Session Message to Ceausescu on Birthday *[SCINTEIA 25 Jan]* 36
Leaders' Public Appearances 23-30 Jan 38

YUGOSLAVIA

Historian Reports New Waldheim Documents *[Stockholm]* 39
Balkan Ministerial Conference Previewed 39
Chad Reportedly To Release 'Innocent' Worker 40
Further on Mikulic's Official Visit to Italy 40
Meets Natta, Craxi 40
Talks With Andreotti 40
Received by John Paul II 40
Returns From Italy 41
Austria's Mock Says Ties 'More Than Good' 41
Spokesman Praises EC Stand on Cooperation 41
Delegation Holds Talks With FRG Commission *[BORBA 23-24 Jan]* 41
Suvar Says LC 'May Fritter Away' Leading Role *[BORBA 26 Jan]* 41
Serbian LC Examines Socioeconomic Development 43
'Confrontation' in Kavadarci Examined 43
Ethnic Albanians Complain in SFRY Assembly 44
Allegations Refuted 44

Joint Troop Exercise To Begin in Hungary

Hungary, CSSR, USSR Take Part

LD281521 Budapest Domestic Service in Hungarian 1500 GMT 28 Jan 88

[Text] Military maneuvers will be held in Hungary from Friday onwards with the participation of 13,000 soldiers of the designated corps of the Hungarian People's Army, the Soviet Army and the Czechoslovak People's Army. The 8,500 Hungarian, 2,500 Soviet, and 2,000 Czechoslovak soldiers have already arrived for the 9-day exercise at the maneuver sites to the north of Lake Balaton. The troops will practice the preparation and waging of defensive combat.

'Friendship '88' Maneuvers

LD282151 Budapest MTI in English 2110 GMT 28 Jan 88

[Text] Budapest, January 28 (MTI)—Under the code name "Friendship'88" military exercises are to be held with 13,000 soldiers of the designated troops and commanding posts of the Hungarian People's Army, the Soviet Army and the Czechoslovakian People's Army in Hungary from January 29 to February 6. The participating troops exercise the preparation of defensive contact and engagement in the early phases of the hypothetised battlefield operation - told Lajos Morocz lieutenant-general and state secretary for defence and c-in-c of the manoeuvers, at his press conference in the Hungarian Ministry of Defence. At the meeting between the commanders of the manoeuvers and the press corps Army-General Fedot Krivda, the representative in Hungary of the Warsaw Treaty Combined Forces' General Headquarters and Brigadier General Juriy Vodolazov Soviet deputy manoeuver c-in-c and Jiri Egg engineer-brigadier general Czechoslovakian deputy c-in-c of the manoeuvers were also present.

These "Friendship" type manoeuvres are held on alternating basis either in Czechoslovakia or Hungary from year to year and became an accustomed event in the life of the three fraternal armies - emphasized Lajos Morocz in response to the question of the MTI correspondent - this occasion is, in certain respect, outstanding: This is the first time when the declaration of the manoeuvers is accompanied by press conference on its details. This openness is in part to be explained by the openness of the international affairs, and is in line with the effort of the Ministry of Defence to let the Hungarian society better know the life of the People's Army, its professional and political work.

As a logical next step to these ideas the Hungarian manoeuver c-in-c praised those favourable international processes which world-wide contributed significantly to the reduction of tensions. Among these, the Stockholm Conference of 1986 earned special credit with the confidence and security amplifying measures substantially reducing the confrontation of the two military, political blocks, namely the NATO and the Warsaw treaty.

In the spirit of Stockholm, meeting the stipulations of the approved document, the participants of the military manoeuver informed the 35 signing nations on the size and aims of the exercises involving 13,000 soldiers, 1,500 trucks, 198 tanks, 360 armoured personal carriers, 95 cannons over 100 mm, 9 military planes, 26 helicopters and 170 armour-piercing weapons.

As Lajos Morocz told the operational outlay and actual combat exercise of the present manoeuvers was determined in agreement with the definitively defensive military doctrine of the Warsaw treaty. Accordingly along the Komarom, Mor, Kalocsa line "border" the Blue Army rolling in from the East is contained by the Red Army in persistent, defensive operation followed by a counterattack. The preparation of the operation have already been started by the designated Hungarian, Soviet and Czechoslovakian troops, which early Thursday morning encamped in the manoeuvering grounds in Transdanubia, to the north of the Lake Balaton—told the secretary of the Ministry of Defence and announced that the exercise will be inspected by Army-General Anatoliy Gribkov, chief-of-staff of the Combined Warsaw Treaty Forces.

Finally, Lajos Morocz in response to the correspondents' questions emphasized that the exercise's 10 million forints costs will be borne by the participating armies with due regard to cost saving. First of all the aim was to get only the necessary and sufficient personel and technique be involved. To achieve this end the soldiers and officers were in preparation trained, the perticipating troops received operational manuals.

Briefs

CEMA Commission Ends Session

The Session of the Permanent CEMA Commission for Cooperation in Transportation was concluded in Prague on 21 January. Its agenda focused primarily on issues of restructuring the mechanism of CEMA cooperation and socialist economic integration in the sphere of transportation. [Summary] [*Prague RUDE PRAVO in Czech 22 Jan 88 p 2 AU*]

Reports on SS-12 Missile Site in Moravia

LD302230 Prague Television Service in Czech 1830 GMT 30 Jan 88

[Excerpts] [Announcer] RUDE PRAVO and [Bratislava] PRAVDA today published a feature on a Soviet missile unit in Czechoslovakia. In today's television news we carry a similar feature:

[Unidentified correspondent] We are in the vicinity of the town of Hranice, in Moravia. At the end of 1983, shorter-range missiles with a range of 1,000 km were deployed here, the only site in Czechoslovakia, on the basis of an agreement between the Czechoslovak and Soviet Governments. As we know, these missiles are to be eliminated under the provisions of the Washington treaty. Let us cite Article iii of the treaty: "For the purposes of this treaty, existing types of shorter-range missiles are... missiles of the types designated by the USSR as the OTR-22... and known to the United States as the SS-12."

[Announcer] We now show you some film which we have not been able to show before on our television screens. We are going to talk to the people who know the destructive force of these weapons, and hear the views of people who know how necessary this first step in nuclear disarmament is.

[Begin recording] [Unidentified voice in Russian, with superimposed Czech translation] The missiles were deployed here in 1983. For the last 4 years, they have carried out their assigned role. Now these missiles are affected by the signing of the treaty, which all of us (?welcome) and support. As for what happens next, we will have to wait and see.

[Second unidentified voice in Russian, with superimposed Czech translation] The whole crew works very hard to ensure that the equipment is always prepared and ready for operation in a combat alert. [end recording]

[Correspondent] Together with the RUDE PRAVO editors, we had the opportunity to see at first hand, on site, the perfect teamwork of everyone involved with this equipment. Any kind of mistake here is simply out of the question.

[Begin recording] [Unidentified voice in Russian, with superimposed Czech translation] If necessary, we work both night and day, at any time. [voice in Russian heard shouting "action stations!"]

[Second unidentified voice in Russian, with superimposed Czech translation] The missile firing crew has taken up its firing position. We are checking its time for taking up the combat alert position. In these field conditions, the crew gain good habits for combat activity. This kind of drill is very useful. [end recording] [passage omitted: reportage from 1st-year of local Russian-language school in the vicinity of the missile unit, where youngsters are heard learning to read Russian]

[Announcer] If the treaty is ratified, these are some of the missiles that will be destroyed, and the existence of this unit on our territory is contingent on that fact. ["Last Post" heard on bugle] A day that the troops of this unit have spent on full combat alert in the interests of peace and life is drawing to a close.

GDR, CSSR, FRG Envoys Discuss CW Ban

LD281229 East Berlin ADN International Service in German 2030 GMT 27 Jan 88

[Text] Geneva, 27 Jan (ADN)—The GDR, CSSR, and FRG ambassadors to the Geneva disarmament conference, Dr Harald Rose, Milos Vejvoda, and Dr Paul Joachim von Stuelpnagel, met in Geneva on Wednesday for a further round of consultations on all questions related to chemical disarmament. The meeting centered on problems connected with completing as quickly as possible the convention on a ban on chemical weapons. The GDR, CSSR, and FRG representatives stressed that this goal will be effectively supported by the establishment of a zone free of chemical weapons in Europe. It was agreed to continue the consultations.

CSSR Delegate Addresses Vienna CSCE Meeting

AU251847 Prague RUDE PRAVO in Czech 23 Jan 88 p 1

[CTK report: "Good Prerequisites for Balanced Results; Czechoslovak Delegation Head Addresses Vienna Follow-Up Meeting"]

[Text] Vienna (CTK reporter)—The CSCE follow-up meeting in Vienna reopened its deliberations on Friday [22 January]. The delegations of 33 European countries, the United States, and Canada will now continue their work on the final document. They will also discuss measures which should contribute to enhancing security and deepening cooperation in Europe in coming years.

Frantisek Dolezal, head of the Czechoslovak delegation, said at the public meeting on Friday that there are good prerequisites for achieving specific and balanced results in all spheres of the European process. He pointed out the extraordinary significance of the treaty on the elimination of Soviet and American intermediate- and shorter-range nuclear missiles, and recalled that Czechoslovakia and other countries have also contributed to it.

F. Dolezal then stressed that the CSSR, as a country situated on the borders between two military groupings, is directly interested in disarmament in Europe. That is why it is also prepared to contribute actively to the further activities of the Conference on Confidence-Building Measures and Security and Disarmament in Europe, as well as to the opening of talks on reducing the strength of armed forces and conventional armament in Europe.

Although no basic turn in international relations has been achieved, the trends have nevertheless changed for the better in every respect—from the disarmament efforts to cooperation in the economic, scientific, cultural, and humanitarian spheres. Czechoslovakia is interested in deepening its contacts in all spheres of the European process, the head of the Czechoslovak delegation said.

BCP Conference Continues, Officials Attend

Aleksandrov Speech

AU291008 Sofia Domestic Service in Bulgarian 0726 GMT 29 Jan 88

[Speech by Chudomir Aleksandrov, member of the BCP Central Committee Politburo and Central Committee secretary, at the 29 January morning session of the BCP National Conference—live]

[Text] Dear Comrades, events that represent a turning point lift up the people's spirit, fully mobilize their forces, and prepare them for a historic leap forward. What place will the BCP National Conference occupy in these events? This will be determined by history. However, the message of the Communists, and the citizens throughout the country to us, the delegates, is to enrich, strengthen, and put into effect the July spirit and design, and lead the people along the road that has been outlined by the new model of socialism. We have the necessary preconditions for responsibly justifying our mandate.

A comprehensive concept of restructuring, and approaches to its implemention in practical experience are included in the documents of the congress and the Central Committee plenums, the report and introductory speech of Comrade Todor Zhivkov at this conference, and in the thoughts and experience, which have been imparted by the delegates from this rostrum.

This sense of responsibility toward the cause, which is being led by the Communists, the striking force of restructuring, compels us to discuss the state of the party itself, develop its creative potential, and its power and skill to act as a political vanguard of the class and the people.

For us, restructuring is the expression of an objectively developed social need. It synthesizes in itself our rich revolutionary road, the call of our time for renewal, and the striving to turn Bulgaria into a highly developed and civilized socialist state. This is a new and revolutionary stage in developing the BCP general Leninist April line, steadily aimed at higher and qualitatively new goals. Simultaneously, it reflects the general tendencies in the communist parties' creative search and the restructuring of socialism in accordance with its natural laws and ideals. Visions are being formed, which under the conditions of the present reality, outline the prospects for developing world socialism, and also represent an alternative to the bourgeois models of the information society, the computer (?utopia), and so forth. These visions assert the new political thinking and peaceful coexistence as a strategy for saving mankind. All this strengthens the interest in socialism and its power of attraction throughout the world.

In this great enterprise we are marching along with the USSR and are inspired by the renewing processes in Soviet society and the changes in the other socialist countries. Our parties and peoples are led by and pursue identical ideas and goals. The fate of our common struggle depends on the success and lessons learned by all, the unity of socialism, and its ability to develop its potential.

Comrades, today our party disposes of a clear and specific concept on further constructing socialism in Bulgaria, which is open to improvement. We have just begun to implement this concept. We are proceeding toward profound changes both in the base and superstructure. The process of placing socialist property under the management and administration of the labor collectives has started. Economic regulators and norms are being activated. The structural and technological renewal of economy is intensifying. The restructuring of the political system on the principles of socialist democracy, and the development of socialist self-management, as well as the accelerated transition from government in the name of the people to government by the people itself, are acquiring more importance under these conditions.

These processes begin from and deeply affect the BCP, the nucleus of our political system. We must emphasize that the concept radically changes our understanding about the place of the party in society and its leading and guiding role. It has revealed the modern content of the party leadership as a political leadership that does not perceive the administrative-commanding influence as its main factor, but the development of a general political course and its practical implementation through cadre policy, party control, the development of a vital and interrelated political, ideological, and organizational activity, and cooperation with the other units of the political system. It has revealed new opportunities of enhancing the principle of democratic centralism in a dialectical connection with the principles of socialist self-management. The creation of fundamentally new territorial and social structures, which have significantly affected the party's own structure, is based on it. The municipal and oblast party committees and organizations have acquired functions which are yet to be mastered. It has elevated our vision of relations between the party and the people and between the people and the party.

The revolutionary changes in developing the party which are taking place allow us to draw the following conclusion: The party, its Central Committee, and its general secretary have proved to be equal to the requirements of our time. The personal contribution of Comrade Todor Zhivkov in illuminating the theoretical problems of developing the party is so great that we can say with conviction: A breakthrough toward the future day and the future state of the revolutionary vanguard of the workers class and the entire working people has been accomplished. Now we have a clear vision of restructuring the party activity, its set of instruments, and the approaches, means, and methods of work and leadership under today's conditions.

Comrades, the restructuring of social life on the principles of socialist self-management—this is the spirit, meaning, and deepest essence of the concept on further constructing socialism in Bulgaria. The development of self-management, this is now the magic instrument through which we can push forward the process of comprehensively and practically restructuring each individual sphere. Through it we can achieve our main goal—to turn restructuring into the cause of every man, every social community, and the entire people.

The party is confronted with the need to overcome manifestations of passivity, lack of interest, and evasion of responsibility, and encourage Communists and working people to assuming an active social position which must be the position of being a subject of restructuring, government, and self-management. We understand the necessity of qualitatively changing the content, style, approaches, means, and forms of party work and leadership. The way in which party instructions were issued in the past, and the nature of them, as well as the Communists' reports and personal-reports, the high-handed style, the bureaucratic methods in the work of the apparatus, and so forth, promoted the qualities in the Communists of being mere policy implementers. A custom of waiting for instructions from the top about everything developed.

Now the party and the social organizations must relinquish forms which preclude a priori and without reason the participation of most Communists and the people in the processes, and place some of them in privileged positions. Without being authorized, these "aktivs," and other restricted bodies and forums often develop a self-esteem and place themselves above the communities, assume the right to decide and act on behalf of the communities without first asking their members, and impose their own decisions without accounting for them and bearing responsibility for the consequences. In the opposite event, as shown by some local referendums, the accountability-election campaign, and the nomination of candidates for the forthcoming elections, conflicts are inevitable and the disappointment is great. Work with every Communist and man, warm human contacts, being aware of the personal possibilities and problems, respecting human dignity, conducting a dialogue between equals, forming a sense of being needed, of having your opinion heard and respected when decisions are being adopted, and a feeling that you can be influential in your living and working environment and can participate—such are the skills we need now. In this way we will be able to evoke initiative, the will to participate, a striving to demonstrate empathy, and a sense of being a manager, without which self-management is unthinkable.

The stage of looking around critically and smiling, and negating everything is over to a large extent. We have everything we need for a total attack. If we were to deal again only with registering and criticizing the facts of the past it would now be phrase-mongering, empty posturing, and demagogy. It is possible somebody needs this. However, restructuring now needs fighters and creative deeds above all. Deeds and results, changes in the enterprises, dwellings, settlements, everywhere and in everything—this is what we need now. These things will not come about by themselves. Even the good Grandfather Frost will not bring them to us. This year he has not even brought us snow yet. We need every Communist and citizen to engage his life and heart in restructuring. Let them not wait for somebody else, outside the collective at that, to change the situation. We must inspire confidence and courage to defend the rights and assume responsibilities, remove the deformations, and assert the new principles for the functioning of the self-managing communities. In this way, we shall acquire the skill to turn the party's strategy and tactics and its political course into one's own policy and tasks. Socialist property will become our, my property. Ideas and initiatives of social importance will develop and influence the process of formulating national goals and policy.

For the party organizations to be aware of restructuring now means to study these processes, to perceive, support, and disseminate the significant elements, remove the obstacles, solve the contradictions, create a different moral atmosphere and climate, and as a result to guarantee the irreversible character of restructuring. In the future, the party will increasingly lead the self-managing labor collectives and territorial communities by means of the example of its own and of the party committees and organizations in developing their own self-management on the basis of the BCP program and statutes. We can assert that the development of the party's self-management represents the main direction of developing inner-party democracy at the present stage. Furthermore, the real rate of democratization of society itself will depend on the degree of this development.

The Bulgarian Communists and working people have adopted and warmly support the idea of restructuring. Now is the time for them to convince themselves, on the basis of their own experience, of the benefit of the practical results of restructuring and reveal its great potential in every undertaking. This potential is now represented by the new approach to the problems and to life and permeates the new style of thinking, and the released capacity for self-development of the primary organizations, and of every worker and Communist.

If, under the present conditions, we were to rephrase one of Karl Marx' thoughts, we could say: The more democratic the forms of social life are, the more restructuring will be real and correct. And vice versa, restructuring will be a mere fiction if democratic changes do not take place in social life.

How did the short period since the BCP Central Committee July 1987 Plenum affect the development of the party's democracy and self-management? I will mention some of the directions practical steps are moving in:

Strengthening guarantees that the autonomy of the primary party organizations in solving local issues will be respected; curbing the ostentatiousness, noise, and regulatory activity from the central authorities; creating additional preconditions for increasing the role of the institutions of direct party democracy, such as general meetings and delegates' meetings, and promoting their role as organs of real self-management—organs which have the right to discuss and evaluate the work of the party committees and make changes in their composition; and increasing the role of the elective party organs as collective and working organs of political leadership.

The newly elected oblast and municipal committees have begun their activity. The fragmentation and departmentalization of the party apparatus are being overcome and their activity is now aimed at the party organizations and the communities. The mutual relations between the party organs and organizations at various levels are now being developed in a new way. The main thing in this regard is to turn leadership activity, which until now had been performed by organs with the authorization of the Communists, into leadership activity conducted by the party primary organizations and the Communists. Consequently, we now have not only just a strategy at our disposal, but also specific directions for the further practical democratization of internal party life.

We do not harbor any illusions about the real scope of the processes at work in our country. They are complex and contradictory processes. Administrative-bureaucratic deviations in party activity, together with inertia, are the most frequent obstacles to their implementation. Careerism, officers' code of honor [chesta na pagona], apathy, and the haughtiness caused by a sense of superiority—these are attitudes that do not disappear by themselves. The promoters of these phenomena are trying to adapt themselves and incorporate themselves in the practical implementation of the July concept. The organizational pyramid is returning to its natural form only slowly as a consequence of the slow understanding of this process in some places.

We cannot ignore the role and guilt that we, the members of the central party organs, have. It was a difficult change to have to begin to accentuate the importance of indirect forms of party leadership. The Central Committee apparatus, despite its decreasing size, still has not passed through the purgatory of restructuring. We are also undergoing a period of breaking away from inappropriate functions and work methods. Yet, we must not allow disruptions in the period of transition. We are mastering the complex art of being guided by the conditions of developing democracy. We view restructuring with optimism, and its main moving forces have been activated. They are the increased awareness, organization, and activity of the workers class and all the working people. They are the Communists, Komsomol members, united agrarians, nonparty members, and innovators in all areas of public life, who are vitally interested in the success of the historic cause.

The role and responsibility of the Communists and the leading cadres are increasing in particular. I would say that under the conditions of democracy and developing self-management, creativity, and the activity of every Bulgarian, it will become increasingly difficult for the Communists to remain the vanguard and defend the vote of confidence they have received in the form of being party members.

When migratory birds begin their long journey to the south, they part from those for whom the journey is beyond their capacity. When the party assumes the historical responsibility of being the leading unit, the motor, and the example of restructuring, it must relieve itself of excessive burdens. Let us recall Lenin's words that expulsion from the party ranks and not coercion is the specific means to influence, and a means to purge [ochistvane] and temper the vanguard. Then we can understand that it is natural to refuse admission to, or expel from the party those who do not have sufficient strength. These people, by making their contribution according to their possibilities, will feel better among the millions of honest like-minded comrades on whom the party relies. For the opposite to happen, namely for the party to pay with its combat ability and authority, would be alarming. This, of course, cannot and will not be allowed.

Another issue also logically emerges: Under the conditions of restructuring, do we develop cadres who are reconstruction's own children? Obviously, such cadres are gaining power. The principles of self-management and the promotion of labor collectives and territorial communities as managers of socialist property and movers of the scientific-technical progress provide natural environment for their growth. These cadres have a different quality. They will inevitably reveal and herald the new revolutionary situation. The consolidation of these cadres requires the development of a new style and a new approach by modern cadre policy. Work with cadres remains today a very important party concern and responsibility. However, the basic requirements regarding the style and contents of this work are fundamentally changing. Statistics and the plans for cadre decisions, the holding of several positions [vzaimnosta], the struggle to rise to a higher level in the nomenklatura, and the imposition of one's candidacy on the committees by all means are not the most important factors. The nomenklatura is not and cannot be a protective shield that ensure a quite life, no matter what one's contribution to society is.

The nomenklatura will increasingly determine merely the responsibility of the respective party organ in conducting the party's cadre policy. The goal now is to conduct a policy of creating a broad and reliable cadre reserve, investing care in improving their training and education, distributing the cadres according to the conditions of glasnost, conducting broad discussions, and applying the principles of competition and election, without any patronage on the part of the self-managing

organizations. We must create such a mood and conviction in the collectives that they give a vote of confidence to the most worthy people. They must assume political responsibility for their cadre decisions.

It is especially important now to promote to leading posts those cadres who have acquired social prestige through their moral qualities, dynamic activity, and specific deeds to implement restructuring. The struggle for qualitatively new growth, democracy, and socialism, is being determined at the bottom, in the labor collectives and the municipalities. Selfless and trained communists are now needed there the most. It is there that the cadres have every chance to demonstrate their abilities. However, comrades, in these places control is also very strict. The labor collective and the primary organization do not regard a secretary who does not directly participate in the work process, who does not share with them the difficulties created by organizational weaknesses, the misfortunes of the shift work, and so forth, as a charming and attractive example. In their eyes he inevitably turns into a bureaucrat and a boss.

The people in the villages, cities, and municipalities do not accept as their leader a person who does not live where he works. He also is a boss who has been planted from above. In the worst case, the post he assumes is an (?accident), and at best a (indistinct word). The party must have nothing in common with this phenomenon. It supports and will support the honest and conscientious people, and those who strengthen its authority now and in the future. Those cadres who have understood that the top of the administrative pyramid has become very crowded and that, if they do not assume their functions in the enterprises, mayoralities, and new municipalities, the pyramid will turn upside down, can also rely on the party.

I support what was said by Comrades Karadzhov and (indistinct name) and propose that, after the conference, the Central Committee conduct a thorough inspection and fully accomplish the work related to strengthening the municipalities by sending specialists there.

Comrades, all leading cadres have been placed in a new situation. There can be no anointed [miropomazani] people among them, not only in the settlements, but also in the higher echelon. Everyone must prove himself capable of implementing the tasks of restructuring in the sector in which he works. I think that now, after the intermediate levels have been eliminated, those of us who work in the central party, state, social, and economic organs will find the labor collective, the municipality, and the lower level of the social communities a proper area in which to demonstrate and prove their ability. One's eyes must be directed downward, toward the social community. The ability to converse intimately and closely with the people must be developed. An answer must be found to all stimulating questions. We must help the communities to form their policy and create adequate [several indistinct words]. And vice versa: those of us who did not sense the profound change in the situation in time, and proved incapable of understanding that their place and position in society will not depend on the decision of the higher organs but on themselves, and on the will of the social communities, will very soon encounter the new realities [several indistinct words].

Comrades, it is clear to us all that there is a general will to conduct change; there is a great hope, and strong faith. A disappointment is inadmissible. We are ready for practical deeds and an advance. The economy is the main front. Every successful step in the economy will be a new step in social prosperity and in the intellectual upsurge. It will be an impulse of social energy and activity, and a factor in accelerating and strengthening restructuring in all areas of social activity. The procedures of the BCP National Conference to date confirm in the eyes of the entire people that the road we have selected is the correct one. There is no other alternative. The party is ready to implement its historical mission as a strike force in restructuring. The party draws its power and conviction from the people's support and the fraternal unity with the USSR and the socialist countries. It appeals to all of us, delegates and guests, and to the 900,000-man strong unit of Bulgarian Communists, and to the almost 9 million Bulgarian citizens to turn our cherished hope into the cause of our life. To construct a new Bulgaria for ourselves and future generations, a Bulgaria which will make us all proud. [prolonged applause]

Aleksandrov Discusses Session

AU292059 Sofia BTA in English
1956 GMT 29 Jan 88

[Full Support for New Concept of BCP"—BTA headline]

[Text] Sofia, January 29 (BTA)—The National Conference of the BCP showed the unity around the party's policy adopted at the plenum of its Central Committee in April 1956 which restored the Leninist principles and norms of party life. The conference approved the concept on the development of socialism in Bulgaria developed by the BCP CC Plenum of July 1987. The forum also confirmed the in-principle coincidence of the aims and tasks of restructuring in Bulgaria and the Soviet Union, said Mr Chudomir Aleksandrov, member of the Politburo and secretary of the BCP CC, at a meeting with foreign journalists held immediately after the end of the conference.

The delegates held a lively discussion in which they raised a number of issues and pointed out the ways in which they may be resolve. They approved unanimously the assessments and conclusions drawn in the report of Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council. According to Mr Aleksandrov, the whole of Bulgaria had taken part in these discussions as everything which had taken place in

the conference hall had been shown live on television and radio and all documents had been printed in the newspapers. Each and every Bulgarian was able to learn about the proposed new ideas and the decisions adopted by the forum. The conference was preceded by a campaign at which its delegates were elected. The concept on the development of socialism was broadly discussed during the campaign and a large number of valuable proposals were made. Discussions were also held in the public and professional organizations. Thus, everyone was given the opportunity to address the conference directly or through the media. Information currently available suggests that the whole nation has become actively involved in the process and this is expected to facilitate the practical work for implementing the decisions of the conference. The work of the conference was future-oriented. The main thing was to find out how to better organize the party, to make our unity with the Bulgarian Agrarian Party members even closer, to mobilize every Bulgarian for the implementation of the concept on the further construction of socialism in Bulgaria, said Mr Chudomir Aleksandrov.

We are justified in saying that the ideas embodied in this concept have come from life, from the objective requirements of our time and are directed at the future development of the country. Now, after they have been approved, these ideas have become a national program. The concept cannot but be such a program as it has man as its center and is before all occupied with the search for ways to help man's development and to better satisfy his needs and requirements. [sentence as received] This is the target of restructuring in Bulgaria, said Mr Aleksandrov.

In reply to questions, Mr Chudomir Aleksandrov explained that the conference has approved Mr Zhivkov's proposal on the making of changes in the system of mandates of the party's elected officials. This is expected to be discussed at the party's next congress in 1991. Changes in the party's program will be made at that congress.

The Bulgarian politician also explained the notion of the activeness and stage-by-stage nature of the conducting of the restructuring in Bulgaria. This, according to him, is determined by the laws governing the country's social development as well as by a number of other external factors such as the international situation and the discriminationary policies of certain countries in fields like culture and the economy.

Mr Chudomir Aleksandrov gave a detailed account of the structural changes which are being made in the organizational life of the party and are aimed at broadening socialist democracy through openness in all spheres.

He stated in conclusion that Bulgaria has embarked on the road of restructuring, a road untravelled before. This will be where experience in the construction of socialism, will continue to be gained, he said.

Yotov Speech

AU291956 Sofia Domestic Service in Bulgarian 1323 GMT 29 Jan 88

[Speech delivered by Yordan Yotov, member of the BCP Central Committee and Central Committee secretary, at the 29 January afternoon session of the BCP National Conference—live]

[Text] Comrade delegates, the BCP National Conference proposes to adopt a resolution to define the tasks of all party members and candidate members, of all Communists in the forthcoming work for the implementation of the designs mapped out by the conference.

The text of the draft resolution, which was adopted at a plenum of the BCP Central Committee, was distributed in advance among the delegates.

[passage indistinct]

The document also takes into consideration the practical measures for the implementation of the July plenum concept.

[passage indistinct]

The report of the General Secretary of the BCP Central Committee and the resolution, which the BCP National Conference will adopt, represents a comprehensive scientifically based program of our party, for a revolutionary restructuring process of society, for promoting socialism in our country to a qualitatively new level, for the transformation of the People's Republic in Bulgaria into a highly developed and cultured socialist state.

The basically new, most important and most essential element of these analyses made by our party primarily consists of the fact that, in considering Bulgaria's great achievements in economic, social, and intellectual development, in considering the implementation of all opportunities set forth by the previous model of socialism, these analyses create a new model of socialism in our country.

It is the historical achievement of the July Plenum of the BCP Central Committee to have developed and adopted this model, as well as [words indistinct].

In determining the paths for the establishment of the necessary prerequisites and conditions for the further satisfaction of the people's material, social, and cultural needs, for the achievement of qualitative changes in the people's consciousness and behavior, this model of socialism places the individual, with his interests, his moral, and social behavior at the center of all revolutionary changes, which the party is initiating in various sectors.

Man is the goal of restructuring and a factor in the successful implementation of this process. This is why restructuring must become a profound inner conviction of every individual, it must become the focus of his activities, and his personal fate, it must become a nationwide cause.

The new model of socialism is based upon the fundamental principles of Marxism-Leninism, our glorious teaching. This model takes into consideration the general laws of building the socialist social system, it takes our specific conditions into consideration.

This is a model of building socialism in the People's Republic of Bulgaria.

A characteristic trait of the changes that have been designed and are being implemented in our country is their fundamental coincidence with the profound, overall, innovative processes conducted in the great Soviet country, at the initiative and under the leadership of the CPSU. This fact once more confirms that we have chosen the correct path and inspires us with confidence that we will achieve the lofty goals we have set.

Comrades, the commission carefully analyzed and discussed all remarks and proposals on the draft resolution submitted both in the statements of the delegates to the conference, as well as in writing.

We point out with satisfaction that the delegates unanimously approve the draft resolution adopted by the BCP Central Committee.

Along with this, the commission states that the proposals submitted a whole are constructive, dictated by the desire to make the resolution even more effective.

Part of the proposals are aimed at a greater clarification of the tasks contained in the text of the draft resolution and at their specification. Such are, for example, the proposals concerning the emphasis on the dialectical unity between self-management and one-man command, aimed at the consolidation of cadres in municipalities, at the more precise definition of tasks not only regarding the uniform engineering secondary schools, but also professional secondary schools, and technical high schools, aimed at the improvement of the mental and physical education of students, and so forth.

We think that most of these proposals are well justified and should be included in the final edition of the resolution.

Another part of the proposals represent essential addenda to the draft resolution and presuppose the addition of new problems and tasks to the draft resolution.

Such proposals are fundamentally correct as well, but need additional analyses and clarification. For this reason the commission thinks that they should be handed over to competent party and state organs with the recommendation that they should be discussed and considered in future work.

A third part of the proposals are pertaining to questions of the current activities of party and state organs.

Such, for example, are the questions raised by delegates Lilyana Kharizanova, Nasko Karadzhov, Nikola Kosmov, and others.

We think that these questions should not be included in the resolution of the conference, but should be submitted to the BCP Central Committee and to the Council of Ministers to be decided upon under separate cover.

In numerous statements, as well as in remarks submitted in writing, full support was expressed for the proposal that the mandate system should be applied to leading organs of the party, of state, and public organizations. At the same time some delegates expressed the wish that certain details should be included in the item of the draft resolution pertaining to this question, which according to the commission's opinion, would be premature.

It is correct and necessary that the BCP National Conference should basically approve the idea on the mandates. As to details, they should be clarified in the course of preparations for the amendments to the BCP Statute, which will be reported to the 14th BCP Congress and in the new edition of the Bulgarian Constitution.

The commission proposes to the BCP National Conference to approve draft resolution submitted by the BCP Central Committee, together with the proposal on the clarification and [word indistinct] of certain tasks.

The commission expresses its confidence that the resolution of the BCP National Conference will be fully approved by the Communists and all working people. On the basis of this decision, the party organs and organizations will expand extensive political and ideological, as well as organizational work so that the entire people may be involved in the revolutionary restructuring of our society, for the further successful construction of socialism in the People's Republic of Bulgaria.

Zhivkov Closing Speech

AU291549 Sofia Domestic Service in Bulgarian 1337 GMT 29 Jan 88

[Closing speech delivered by Todor Zhivkov, general secretary of the BCP Central Committee, at the closing session of the BCP National Conference in Sofia on 29 January]

[Text] Comrades delegates, the BCP National Conference is concluding.

We are justified in saying that this conference proceeded from beginning to end in the spirit of the July plenum, of the basic trends of restructuring, and of the further construction of socialism in the People's Republic of Bulgaria adopted by the BCP Central Committee July plenum.

I hope that you, too, share this evaluation of the conference, and I hope that all Communists, as well as the entire population, share it.

The truth of the revolutionary cause we are engaged in, the truth of the revolutionary thoughts and actions which the BCP Central Committee have initiated, were unanimously supported and summed up by the BCP National Conference.

A great credit earned by this conference is the fact that it approved the July plenum concept and became a platform for the implementation of the trend toward a qualitatively new growth, for the innovation of socialist society, for further building the developed socialist society in our country.

The BCP National Conference not only fully and wholeheartedly approved the practical measures adopted by the BCP Central Committee following the 13th BCP Congress, but it also unanimously evaluated the turning point marked by the July plenum of the BCP Central Committee as historically ripe and necessary.

The conference has re-equipped the party from a creative and practical point of view and from an organizational and political point of view so that it may work even more confidently and efficiently for the implementation of the restructuring process.

Naturally our theory and practice, our views and approaches will be enriched in the course of the restructuring process itself.

Here, from the rostrum of the conference it was correctly stressed that the July plenum concept is not a dogma, it is not the final truth.

We will continue to analyze our social experience in the process the further development of our society's. We will continue to apply the experience of the fraternal socialist countries and of the Soviet Union, in particular, as regards the innovation of our socialist society.

The social sciences and our theoretical thought, as well as our scholars are called upon to contribute to this cause in a special way.

Comrades, the response we have received from Sofia, from all over the country, shows the tremendous interest with which our working people are following the BCP National Conference. This is a remarkable phenomenon which speaks for itself and confirms how close to the people the ideas and the spirit of July plenum concept of the revolutionary restructuring in our society are.

Our conference expresses gratitude to the radio and television, as well as to the other mass media, because they transformed our conference into a forum of the entire people.

Permit me to express my most sincere gratitude to the citizens of the People's Republic of Bulgaria, who together with us, participated in the efficient work of the conference. [applause]

They felt with us, they share our concern over the fate of restructuring and over the fate of socialist construction.

The statements made at the conference stressed that the working people support the new party strategy. This is a guarantee that restructuring in Bulgaria will become a cause of our people. We are aware of the fact that there will be difficulties along our path. This is inevitable. What is the main thing, however?

The main thing is that our party enjoys the confidence and support of the people. [applause].

This confidence and support is our greatest asset. There are no difficulties which the party cannot overcome with the people's assistance. The strength of our party lies in its multifarious activities, it can rely upon the support of millions in towns and villages, upon the people's constructive efforts.

Without the people, without man's active participation, the restructuring process will not succeed. As Lenin correctly said, the party banner [words indistinct].

The word of the party becomes a real historical fact when the hands, the minds, and hearts of the working people engage in it, when it becomes the people's cause. [applause]

Before we part with each other we can state with emphasis: The party is closing its conference having become even more mature and more closely united around the Leninist, April general line. [applause]

Since the agenda has been completed, I declare the BCP National Conference closed.

Doynov Press Conference on Associations

AU291459 Sofia BTA in English
1408 GMT 29 Jan 88

["On the Role of Associations in Bulgaria"—BTA headline]

[Text] Sofia, January 29 (BTA)—For a short period of existence (about a year and a half) the associations established in Bulgaria have contributed considerably to

the activation of the economic activity on the home, as well as on the international market, said before journalists Mr Ognyan Doynov, member of the Politburo of the CC of the BCP and chairman of the "Heavy Mechanical Engineering" association.

He explained before foreign and Bulgarian journalists, at the press centre of the BCP National Conference, the principled differences between the former ministries and the present associations. The main difference is in the fact that the associations do not represent the state regardless of the fact that for the time being the government has attributed certain functions to them in this sphere. The association is a voluntary economic group formed on the basis of the common interests of its members - economic organizations.

As a former minister of mechanical engineering Mr Ognyan Doynov compared the structure of management as well. At present the office staff of the association (the support one included) is 118 people, while at the ministry it was 493 people. In the past, the ministry issued obligatory orders and instructions, while at present the association has a governing board which includes all the chairmen of the economic organizations members of the associations. And only in case the governing board takes a decision, taking into consideration reasons of strategic importance for the branch, then the decision becomes obligatory. Through the new structure the decision taking and the responsibility undertaking for the concrete production activity of the different enterprises becomes their own business.

Mr Ognyan Doynov said that almost half of the mechanical engineering production (amounting to about 3.5 billion dollars) is exported: about 30-35 per cent for the socialist countries and about 15 per cent for other countries. Eighty-five per cent of the mechanical engineering enterprises in this country are members of the association. Almost 250,000 people work in this branch.

Charter 77 To Stage Hunger Strike

AU291953 Paris AFP in English
1909 GMT 29 Jan 88

[Excerpts] Prague, Jan 29 (AFP)—Several dozen supporters of the Czechoslovak human rights movement Charter 77 said here Friday that they would stage a 24-hour hunger strike Monday [1 February] in solidarity with the Romanian people.

Charter 77, which has appealed to all Europeans to demonstrate Monday against the regime of Romanian President Nicolae Ceausescu, said it had cancelled plans to demonstrate outside the Romanian Embassy for fear of clashes with police.

The outlawed Polish Socialist Party has supported the human rights movement's appeal, Polish sources said. [passage omitted]

In Paris more than 500 people signed a petition Friday demanding an end to "brutal repression" in Romania.

Among those who signed the petition were writers Paul Goma and Eugene Ionesco and former prime minister Pierre Mesmer.

The League for the Defence of Human Rights in Romania, which organized the Paris petition, said its action was linked to the Charter 77 appeal.

Further on Bilak Trip to Syria, Greece

Communique Issued in Syria

AU311530 Prague RUDE PRAVO in Czech
28 Jan 88 p 7

["Joint Communique on V. Bilak's Visit to Syria"]

[Text] Damascus (CTK correspondent)—The following joint communique was adopted at the end of a friendly working visit by Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, to Syria:

Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, paid a friendly working visit to Syria from 24 to 27 January 1988 at the invitation of the Syrian Regional Command of the Socialist Arab Renaissance Party (Ba'th).

During his stay Vasil Bilak was received by Hafiz al-Asad, general secretary of the Ba'th Party and president of the Syrian Arab Republic, and held talks with 'Abdallah al-Ahmar, assistant secretary general of the party's Syrian regional leadership. He also met with Mahmud al-Zu'bi, prime minister of the Government of the Syrian Arab Republic, and other leading party and state officials. During the talks, which were held in the spirit of mutual trust and understanding, the two sides briefed each other on their activities and the results the CSSR and the Syrian Arab Republic achieved in the implementation of the conclusions determined by the 17th CPCZ Congress and the Seventh Regional Congress of the Ba'th Party.

Vasil Bilak briefed the Syrian side on the results of 7th CPCZ Central Committee Session of December 1987. He stressed that the CSSR has entered a new era of socialist development, which is connected with the restructuring and deepening of socialist democracy.

When exchanging views on international-political issues, the two sides noted with satisfaction that between the CSSR and the Syrian Arab Republic there was an agreement or closeness of views on the most important of them.

They valued the considerable international importance of the signing of the USSR-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, which they welcomed as a sigh of realism and statesman-like responsibility, and of new thinking in international relations. They underscored the importance of the treaty's speedy ratification in the interest of the continuation of the process of disarmament and the further improvement of the international atmosphere.

The two sides stressed the necessity to eliminate all nuclear weapons in the world and to halt the arms race. They expressed support for and recognition of the policy of the Soviet Union and its peace initiatives.

During the talks the two sides devoted exceptional attention to the tense situation in the Middle East, which is the consequence of the continuing Israeli occupation of Arab territories and the aggressive policy of Israel and the United States within the framework of their strategic alliance, which pursues the expansion of the hegemony of imperialism, Zionism, and reaction in this region. Israel continues to refuse to implement UN resolutions and to deny the Palestinian Arab people their inalienable national rights which seriously imperils security and peace in the Middle East region and in the world. The two sides stressed that just and lasting peace in the region can only be established on the basis of Israel's complete withdrawal from all occupied Arab territories, including the Arab section of Jerusalem, and the realization of the inalienable rights of the Palestinian Arab people in accordance with UN resolutions.

The two sides fully endorsed the idea of convening an international conference under UN aegis, attended by permanent members of the Security Council and all interested parties including the PLO, to speedily achieve a just and comprehensive settlement of the crisis in the Middle East. The two sides expressed their solidarity with the uprising of the Palestinian people in the occupied territories, which is further evidence that the Palestinian people reject the Zionist occupation and its terrorist, racist settlement practices and the policy of

forcible deportations, which constitute the grossest violation of fundamental human rights and norms of international law. They called on all peace-loving and progressive forces of the world to take steps to condemn and end the barbarian methods of oppression of the defenseless Palestinian people by the Israeli Government.

The two sides expressed their support for the struggle of the Lebanese people and their patriotic forces against the Israeli occupation of part of Lebanon and condemned this occupation and its consequences. They stressed that the solution of the internal Lebanese problems can only be achieved through national reconciliation on the basis of maintaining unity, independence, sovereignty, and the Arab character and territorial integrity of Lebanon. The Czechoslovak side valued the role of the Syrian Arab Republic in Lebanon, which is helping Lebanon achieve its national objectives and the normalization of the situation in the country.

The two sides expressed concern over the continuation of the Iraq-Iran war. They stressed the need to speedily end this conflict on the basis of new peace talks. At the same time they called for the withdrawal from the gulf of all naval fleets of non-coastal states, and for ensuring free navigation by an armed fleet under the UN flag.

The two sides expressed the conviction that deepening of security and peace in Europe is an important factor of strengthening peace in the world. They stressed that there is a close connection between security and peace in Europe and in the Middle East region. In this connection the Syrian side valued the CSSR's active approach to the solution of the issues of European security and cooperation. It endorsed the proposals for the establishment of a zone without chemical weapons and of a corridor without nuclear weapons in central Europe, as well as the overall CSSR efforts aimed at reducing military confrontation and strengthening trust in that region.

The Czechoslovak side expressed support for the initiative of the Syrian Arab Republic to convene an international conference under UN aegis, which would define the term terrorism and the difference between terrorism and the legitimate struggle of nations.

The two sides expressed concern over the deterioration of the situation in the Republic of South Africa, and categorically condemned the policy of racial discrimination practiced by the South African regime. They demanded that an end be put to the policy of that regime and its repressive methods.

The two sides expressed their support for and full solidarity with the just and legitimate struggle waged by the nations of Asia, Africa, and Latin America, and by their liberation movements against imperialism, Zionism, and racism, and for national independence and social progress.

The two sides unequivocally favored the speedy resolution of the situation in Afghanistan in harmony with the policy of national reconciliation which is being carried out by the government of that country, and halting all forms of intervention by imperialist and reactionary forces from abroad.

The two sides expressed great satisfaction with the firm relations of friendship and constructive cooperation between the parties and the people of the two countries, and stressed that they will continue striving to develop and strengthen these relations for the benefit of the people of the two friendly countries.

Within this framework a new agreement on cooperation between the CPCZ and the Ba'th Party for the 1988-89 period was also signed.

Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, expressed thanks for the cordial and warm welcome accorded to him and his retinue during their stay in the Syrian Arab Republic, and invited 'Abdallah al-Ahmar, assistant secretary general of the Regional Command of the Socialist Arab Revival Party, to visit Czechoslovakia. The invitation was accepted with thanks, and the date of the visit will be set later.

Meets Greece's Alevras

LD291932 Prague CTK in English
1814 GMT 29 Jan 88

[Text] Athens Jan 29 (CTK correspondent)—Czechoslovak Communist Party Presidium member and Central Committee Secretary Vasil Bilak and member of the PASOK Executive Committee and President of the Greek Parliament Ioannis Alevras stressed here today the need for diplomatic activity to the benefit of peace, confidence building and cooperation of peaceloving forces.

They agreed that in this respect, both large and small countries can play positive roles. In this connection Ioannis Alevras said that "Czechoslovakia and Greece are two small countries but this does not mean that they are bound to play small roles".

Vasil Bilak said that diplomacy cannot be done only through foreign ministries but that parliaments and various social and mass organizations must be involved to raise the chances of understanding.

Ioannis Alevras confirmed his intention to visit Czechoslovakia and expressed the conviction that his visit would contribute to the development of cooperation between Czechoslovakia and Greece.

During their talks, the two sides expressed the idea that there exist possibilities of expanding cooperation between their countries, including cooperation on third markets.

Vasil Bilak also signed today a protocol on cooperation between the Czechoslovak Communist Party and the Panhellenic Socialist Movement party (PASOK) in 1988 and 1989. The document provides for concrete forms and methods of cooperation and is to contribute to the development of all-round relations.

At the conclusion of his visit to Greece, Vasil Bilak met with General Secretary of the Communist Party of Greece Kharilaos Florakis.

Returns Home

LD292056 Prague CTK in English
1906 GMT 29 Jan 88

[Text] Bratislava Jan 29 (CTK)—Vasil Bilak, Czechoslovak Communist Party Presidium member and Central Committee secretary, returned here today from a working tour of Syria and Greece.

Chnoupek Leaves for Geneva Conference

LD311638 Prague CTK in English
1605 GMT 31 Jan 88

[Text] Prague Jan 31 (CTK)—Czechoslovak Foreign Minister Bohuslav Chnoupek left here for Geneva today to take part in a session of the conference on disarmament.

He will address participants in the session in harmony with the conclusions of a meeting of the Warsaw treaty foreign ministers committee here last October. He will concentrate above all on a document dealing with the higher effectiveness of the conference on disarmament in Geneva adopted in Prague.

Further Reportage on Kohl's Visit

Relations Discussed

AU291659 Prague RUDE PRAVO in Czech
27 Jan 88 p 7

[Jan Kovarik commentary: "In an Open Atmosphere"]

[Text] The first day of Chancellor H. Kohl's official visit to Czechoslovakia and his talks with Federal Premier Lubomir Strougal confirm that the two sides have a lot to say to each other, a lot to discuss. This is true in spite of the different sociopolitical systems in the two countries—or maybe just because of them. It is not only our neighborhood in the center of Europe but, above all, the present time that make possible and that require our contribution to the improving atmosphere on the international scene.

The talks, that have already started, encompass a broad range of issues concerning mutual relations. It is understandable that these relations are not free of problems but, on the other hand, we can draw on a long history of coexistence in developing them. We are neighbors and it is natural that we are trying to capitalize on this neighborhood, for instance in economic cooperation, including river transportation or the possibilities of interconnecting the electricity and motorway networks. Also on the agenda, however, are considerations about cooperation in manufacturing, in utilizing technological processes, or in protecting the environment.

The talks of statesmen and politicians must be followed with deeds, if the agreements are to be implemented. As has been stressed by the spokesmen for both sides in their briefings, both the CSSR and the FRG approach the talks in this spirit. And this applies not only to mutual relations but also to questions of such priority as the creation of international security, confidence-building among states, continuation of the process of disarmament started by the Soviet-American Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, as well as the elimination of hotbeds of tension in the world. We may not always agree with the Federal Republic on the approach to these urgent issues but we agree on one thing—that problems can be solved only by talks, not by force. This presupposes the creation of an atmosphere of confidence, openness, and mutual understanding and the removal, step by step, of outdated stereotypes in East-West relations. The first day of the talks between the heads of the CSSR and FRG Governments was marked by this spirit.

Development of Ties With Albania Discussed

AU291617 Prague RUDE PRAVO in Czech
28 Jan 88 p 2

[CTK report in the "International Relations" column]

[Text] Jaromir Johanes, first CSSR deputy minister of foreign affairs, received Idriz Dhrami, charge d'affaires of the People's Socialist Republic of Albania in the CSSR, in Prague on Wednesday [27 January]. They discussed the present state of Czechoslovak-Albanian relations and the possibilities of their further development.

CPCZ Central Committee Presidium Session

LD291620 Prague Domestic Service in Czech
1500 GMT 29 Jan 88

[Text] The CPCZ Central Committee Presidium discussed at its session today the report on the state of security in Czechoslovakia and discused the main tasks for this year of the national security corps, border guards, and the forces of the Ministry of Interior.

It praised the results achieved in individual sections in protecting the socialist social system, property in socialist and individual ownership, in the struggle against criminality, in protecting public order and safeguarding the state borders. It also noted that there are still a considerable number of cases of misappropriation of

property in socialist ownership and violations of economic and technological discipline, which provide evidence of inconsistent actions in ensuring the tasks arising from the letter of the Central Committee Presidium on violating socialist legality, discipline, and morale.

The Presidium stressed that to overcome these negative phenomena it is necessary to improve and to speed up the process of detecting and investigating criminal activity and to free it from various ineffective administrative procedures. It noted that also the leading workers in the state economic bodies have to fulfill consistently the tasks arising from the legal duty to report and to report in a timely manner criminal activity to the security bodies.

It emerges from the report that the number of exceptional events in the national economy and the number of killed and injured persons was slightly lower last year in comparison with that of the preceding year. A pronounced growth of direct damages exceeding 1 billion Kcs was caused first and foremost by natural disasters. The causes for the increase in exceptional events in economic facilities are not changing in the long term. Crude negligence, violation of technological procedures and violation of safety regulations are prevalent. The general level of criminal activity in comparison with that of 1986 decreased by 3.4%. The decrease in criminal activity was noted in all kinds of criminality, and violent criminal activity also decreased.

The Presidium stressed that implementation of the restructuring of the economic mechanism requires enhanced effectiveness of the struggle against economic criminality and strict prosecution of persons who are unjustly enriching themsleves or who abuse their economic functions.

The Presidium expressed agreement with the basic aims for this year of the national security corps, the border guards, and forces of the Ministry of the Interior. The security apparatus must significantly contribute toward creating favorable prerequisites for the restructuring of the economic mechanism and development of socialist democracy, and toward safeguarding peace and public order. It is also necessary to strengthen the cooperation of this apparatus with the citizens. In accordance with the conclusions of the Seventh Central Committee session it is necessary in all sections of Czechoslovak security to implement consistently socialist legality and to protect and respect the rights and justified interests of citizens.

The CPCZ Central Committee Presidium also discussed preparation of the Days of Culture of Czechoslovakia in the USSR, which will take place from 24 February until April. They envisage participation of approximately 1,400 art and cultural employees who will take part in 120 events in various parts of the USSR. There will also be exhibitions which will represent the visual arts, stage design, book and record production, and folk art. The most important will include the exhibition called "Art and Times," devoted to the 40th anniversary of Victorious February.

The Presidium expressed the conviction that these significant actions will contribute toward the development of cooperation between our fraternal countries in this sphere. It discussed the principles of the progress of party organs and organizations in the experimental implementation of socialist self-government in the labor collective and election of managers of enterprises and factories.

The CPCZ Central Committee Presidium acknowledged the report on the preparations of the 126th session of the CEMA Executive Committee in Moscow 2-4 February and discussed also some other questions of internal political and international political life.

Jakes on Tasks of Party Apparatus

AU311730 Prague RUDE PRAVO in Czech 27 Jan 88 p 1

["RP"-signed report: "The Party's Activity Must Correspond to the Times; Comrade Milos Jakes on the Tasks of Party Apparatus in Implementing the Conclusions of the Seventh CPCZ Central Committee Session"]

[Text] Prague—A session of the CPCZ Central Committee's political staff was held in Prague on Tuesday (26 January]. The participants discussed the tasks of party work in implementing the conclusions of the Seventh CPCZ Central Committee Session and in preparing the annual party member meetings and conferences.

The session was addressed by Milos Jakes, CPCZ Central Committee general secretary.

He began his statement by stressing that our party and society have entered an extremely momentous phase in the further development of socialism—a phase that confronts us with highly demanding tasks and requirements (which are new in many respects). In coping with them we will create the decisive factor for successful progress, for imbuing the overall advancement of our society with the desirable, new dynamism in the socioeconomic and all other spheres of social life.

This places new demands on the implementation of the party's leading role and enhances its responsibility not only toward our people, but also toward the international communist and workers movement. The activity of every communist and all party agencies and organizations must proceed from this. This applies to an even greater extent to the members of our party apparatus—the aktiv and helper standing closest to the elected party bodies, and simultaneously representing a considerable intellectual potential.

This year, Comrade Jakes stated, we are recalling the 40th anniversary of the Czechoslovak working people's victory over the reaction in February 1948, a victory which has become the decisive turning point in our nations' modern history and which has opened the doors to socialist development in our country. We are intensely aware of the revolutionary legacy of Victorious February, particularly today, when our society has embarked on the path toward accelerating its economic, social, and societal development, its restructuring and democratization. If we want to cope with the further development, if we want to raise our society to a qualitatively new level, there is no other alternative to this line. These revolutionary tasks require new approaches, new solutions, and a new practical activity. The present social movement (which is also taking place in other socialist countries, above all the Soviet Union) is headed by the Communist Party, whose strength lies in ideological and action unity, in firm ties with the people.

We are holding this meeting soon after the Seventh CPCZ Central Committee Session, which has developed (in a significant and comprehensively conceptual manner) the strategic line of the 17th Congress in the direction of carrying out the basic economic reform, comprehensively restructuring social life, deepening socialist democracy, and raising the quality of cadre policy and of overall party work. It is essential to ensure the conclusions of the Seventh Session consistently and everywhere; it is imperative to be very exacting in appraising the practical activities and all the specific steps taken in fulfilling the program of the 17th Congress. No other criteria may be applied here—neither local, nor departmental criteria, nor any other criteria. This basic, key political demand has also been placed on the activity of all political staff. In other words: One must follow everywhere a single, uniform policy and line—the line of the party's Central Committee. This is the basic prerequisite of success, the basic condition of the party's unity.

The Seventh CPCZ Central Committee Session has stressed an important phase of very momentous work, a phase which was essential for working out a more comprehensive, rounded-out concept of the restructuring and democracy program. At the same time the Session has set the main direction of our progress in the coming period, when the center of gravity will increasingly shift to the sphere of the practical realization of adopted decisions.

This work will be all the more difficult and complicated, since it will increasingly involve a broad strata of our working people. The complications will materialize because, in a number of sectors, the outdated mechanisms are already gradually ceasing to operate, while the new mechanisms have not yet begun to fully assert themselves. We must proceed prudently, while simultaneously not losing sight of the unity of fulfilling the long-term conceptual demands of restructuring and of accomplishing the urgent tasks planned for the remaining years of the 5-year period.

The people working in all sectors of our national economy, in all spheres of our social life, must join the communists in this effort. And the communications media are playing a significant role in all this.

In this context Comrade Jakes stressed the relevant tasks of the CPCZ Central Committee's apparatus and emphasized the increased demands placed on its cognitive, organizational, ideological, and inspection activities. He expressed appreciation of the work accomplished by the party apparatus to date, at the same time pointing out that here, too, one must resolutely part ways with all manifestations of formal and superficial approaches and concentrate one's energy on basic key tasks and problems. In assessing the results of our activity, it is the real movement, the real changes in practical life that are of value—and not the number of campaigns carried out. This means that we must wage a daily struggle for the consistent implementation of party resolutions.

For our further progress it is important that both the party and the society received the Seventh CPCZ Central Committee Session positively, and expressed full support for its results. However, this is only the beginning. It must be seen that the people expect a more resolute course from all management structures, above all from the center.

Comrade Jakes recalled that one must analyze—in time, speedily, and truthfully—the causes of all shortcomings and adopt all the necessary measures. Neither overcautiousness nor temporizing may be tolerated; they evoke concern and distrust, making people doubt whether we are really sincere about the course we have adopted for accelerating our socioeconomic development and restructuring our social life.

In this context I would like to stress, Comrade Jakes stated, that an official or a political worker may not be a kind of blue-collar party worker. He must be primarily a devoted fighter for the party's policy, an able organizer and propagandist maintaining close contact with real life. This places high demands on all members of the political staff—particularly on their ability to analyze deeply and in a qualified manner the processes that are taking place in the party and the entire society; to know the people's views; to assemble and generalize the positive experience that has been acquired; and to implement and expand it in practice. Good experience cannot be bought. This particularly applies to the utilization of the rich knowledge of the CPSU, and also of other fraternal parties.

What must our greatest concern at all times be? To set into motion the decisive factors of accelerating social advancement, and to see man, the creator and user of values, behind everything. We can set these factors into motion only if we set the whole party, all Communists, into motion.

In speaking of the qualities characterizing a political worker, Comrade Jakes emphasized (side by side with deep loyalty to the party's policy, the necessary theoretical knowledge and practical experience, and the ability to lead people's collectives) that it is essential for him to have high moral qualities.

For us, too, the CPCZ Central Committee Presidium Letter on Deepening the Efficiency of the Struggle Against Violations of the Principles of Socialist Legality, Morality, and Discipline is fully valid. We must not only guard this letter—and above all, we ourselves must be exemplary in the implementation of its intentions. People must see every apparatus member as a really honest, exemplary communist, who is thinking first and foremost of the interests of the socialist society, of the party's interests, of enforcing its policy.

In concluding, Comrade Jakes stressed that the role played by the members of the party apparatus becomes particularly prominent now when we are entering the period of annual member meetings in primary organizations and the period of party conferences. Their purpose is to contribute toward making the conclusions of the Seventh CPCZ Central Committee Session not only correctly understood, but above all specifically detailed on the conditions of every party organization. They must contribute toward activating the party and toward efficiently asserting its leading role in the process of restructuring our economic mechanism and our whole social life, while simultaneously developing the working people's initiative in the interests of accomplishing the tasks set for 1988 and for the entire Eighth 5-Year Plan.

During the following discussion a number of suggestions were made for further improving the work of the party's Central Committee apparatus.

In his concluding statement Comrade Milos Jakes expressed appreciation of the ideas voiced during the discussion and replied to participants' questions.

Hardline Position on 1968 Reported

[Editorial Report] CPCZ political weekly TRIBUNA No 1 of 6 January on page 8 carries an article on the 20th anniversary of the CPCZ 1968 January Plenum. Written by editorial writer Karel Horak, it is called "The Lessons and Experiences Derived From It Are as Valid as Ever." The article asserts that the interpretation of the post-January 1968 developments, as expressed in a flood of international comment on the anniversary, is "still part of the international ideological class struggle." TRIBUNA offers its own interpretation which is that the 1968 January plenum tried to find a way "to correct existing shortcomings," whereupon "the rightist forces abused the results of the plenum" and seized control, their goal being "liquidation of revolutionary gains." TRIBUNA says that those who see no difference between the 1968 and 1988 reforms and those who "keep giving us advice as to how we should go about restructuring" are simply enemies of socialism who are looking for ways "to bring about chaos and to again attempt liquidation of socialist structures." TRIBUNA sums up by saying: "We don't have to reevaluate the lessons which the party has derived from the critical years, and we shall not reevaluate them." The article reminds readers of the statement issued by the recently held 7th CPCZ plenum, to the effect that "any hope whatsoever for legalization of political opposition, which could not be anything but anti-socialist, have no basis in fact." TRIBUNA adds: "People who are after their own political goals, disguising their hatred of socialism by phrases about human rights, freedom and democracy, will not get another chance to again disrupt our country."

CPCZ cultural weekly TVORBA No 1 of 5 January on page 5 carries a less condemnatory article on the anniversary. Signed by editorial writer Josef Meisner and entitled "An Experience for Which We Paid Dearly," it says that "the political line set up by the January plenum was correct and inevitable" but that unfortunately "the CPCZ leadership, headed by A. Dubcek, was not united on their evaluation of the situation, their programming and their goals, nor even in their views of what concrete measures should be taken." TVORBA concludes that what happened in Czechoslovakia after the 1968 January plenum was not "a dispute about various alternatives of socialist restructuring" but "a struggle for the survival of socialism." The fact that even strong revolutionary forces can be defeated if they lack "a principled and strong leadership," says TVORBA, "is one of the valuable, albeit very dearly paid for, experiences we have derived from 1968."

In contast to the two Czech weeklies, the Slovak CPSL political and cultural weekly, NOVE SLOVO, [No 1 of 7 January] carried no comment whatsoever on the 20th anniversary of the 1968 January plenum.

Chnoupek Receives Diplomatic Representatives

LD281851 Prague CTK in English
1752 GMT 28 Jan 88

[Text] Bratislava Jan 28 (CTK)—Czechoslovak Foreign Minister Bohuslav Chnoupek met here today with representatives of diplomatic missions in the Slovak capital.

The meeting, held traditionally at the beginning of the year, was attended also by Deputy Chairman of the Slovak National Council Jan Gregor and Slovak First Deputy Premier Julius Hanus.

Bohuslav Chnoupek stressed on this occasion that systematic expansion of fraternal relations and all-round cooperation with the Soviet Union will have the priority in Czechoslovakia again this year. He also said that in this direction, Czechoslovakia will proceed from the results of Mikhail Gorbachev's visit to Czechoslovakia in April 1987 and the talks held between the Soviet Communist Party general secretary and Czechoslovak

Communist Party General Secretary Milos Jakes in Moscow at the beginning of the year. "The progressive, revolutionary deeds with which Soviet Communists enter the second phase of reconstruction i.e. radical economic reforms and all-round democratization of society, are for us, as Milos Jakes stressed recently, the most precious inspiration, a source of information, a support in the solution of demanding tasks of our socialist construction set by the 17th Congress of the Czechoslovak Communist Party."

Doyen of the consular corps in Bratislava Franz Pokiser appreciated the success achieved by Czechoslovakia in the economic and cultural spheres and appreciated the country's international peace activity.

Zion Church Demonstrators Sentenced

LD011109 East Berlin ADN International Service in German 1035 GMT 1 Feb 88

[Text] Berlin, 1 Feb (ADN)—The accused Bert Schlegel, Andreas Kalk, and Till Boettcher were sentenced by the Berlin-Lichtenberg borough court on Monday to 6 months imprisonment for disturbing the public peace. The sentence is not yet final.

Jailed for 6 Months

AU011150 Paris AFP in English 1141 GMT 1 Feb 88

[Text] Berlin, Feb 1 (AFP)—Three young East German pacifists were jailed for six months on Monday by an East Berlin court for unlawful assembly, their lawyer Wolfgang Schnur said.

Bert Schlegel, 21, Till Boettcher, 17 and Andreas Kalk, 19, were among a number of pacifists and human rights activists arrested on January 17 for trying to join in an official ceremony commemorating the deaths of the Communist leaders Rosa Luxemburg and Karl Liebknecht in 1919.

Mr Schnur, who acts for the East German Protestant Church, said he would appeal the verdict and was confident for sentences of seven to eight months.

Last Thursday another militant pacifist, Vera Wollenberger, was similarly jailed for six months by the same court for the same offence.

Other detained pacifists and members of human rights groups, who have yet to appear in court, face more serious charges, including treason.

Demonstrators Call For Release

LD301011 Hamburg DPA in German 0813 GMT 31 Jan 88

[Excerpt] Berlin (DPA)-More than 1,000 participants in a solidarity event which followed intercession prayers in East Berlin on Friday evening called for the release of those still imprisoned in connection with the protests on 17 January during the official Luxemburg-Liebknecht demonstration in East Berlin.

Young writers made a statement at the Church of the Redeemer in the East Berlin district of Lichtenberg calling on the GDR authorities to release their imprisoned colleagues. It was also reported in West Berlin on Saturday that they demanded the return of books and manuscripts confiscated during the past few weeks.

Religious services for the detainees have already taken place in a number of towns in the GDR over the past few days. Several hundred GDR citizens took part in each of them. [passage omitted]

Kessler Visits Civil Defense Institute

AU291600 East Berlin NEUES DEUTSCHLAND in German 28 Jan 88 p 2

[Text] Beeskow (ADN)—On Wednesday [27 January] Army General Heinz Kessler, member of the SED Central Committee Politburo and minister of National Defense, visited the "Otto Grotewohl" Civil Defense Institute in Beeskow. He acquainted himself with the training results achieved to date in the traditional trainings facility, which has been in existence for 3 decades, and visited a new training and research complex for the improvement of disaster and accident protection. The minister expressed the conviction that this will provide even better possibilities for the training of leadership cadres in civil defense.

During a tour, Army General Kessler held cordial talks with officer candidates, participants in training courses for functionaries from state and economy and for voluntary workers of civil defense, and with members of the teaching staff. During these talks they assured the minister that they are contributing with high achievements to the "11th Congress Civil Defense Initiative" in strengthening the republic and in safeguarding peace.

Army General Kessler was accompanied by deputy defense ministers Colonel General Fritz Streletz, Col Gen Horst Bruenner, and Lieutenant General Manfred Graetz, as well as Lt Gen Fritz Peter, head of the GDR Civil Defense.

Krenz Addresses Halle Militia Meeting

LD301514 East Berlin ADN International Service in German 1302 GMT 30 Jan 88

[Text] Halle, 30 Jan (ADN)—"We oppose the policy of confrontation with the policy of dialogue, the striving to build up arms pressure for disarmament, and the irrationality of confict with the reason of cooperation." This was stated by Egon Krenz, member of the Politburo and secretary of the SED Central Committee, today in Aschersleben at a commanders' meeting of the Workers' Militia of the working class of Halle Bezirk.

The GDR is consistently following its path of the further development of the advanced socialist society with dynamic growth in performance and political stability, and no one will be able to halt it. For this humanitarian aim everyone is needed, regardless of ideology or religion, age or social status. What the people support, what they work for, live for and fight for—that has been, is and remains for us the first premise of all policy, the speaker said.

In the history of the GDR every day is testimony to the fact that only the power of the workers and peasants can lastingly secure the well-being of the people.

On this path, which for 35 years has been shaped as well by the Workers' Militia of the working class, the people have experienced how the state led by the communists and their allies is a power for which, for the first time on German soil, peace and freedom, democracy and justice are not abstract concepts but a reality which can be experienced every day by the citizens, and which is being further perfected in accordance with the decisions of the 11th party congress.

"The people of the GDR decided irrevocably in favor of socialism, in free self-determination," Egon Krenz stressed.

Leader's Public Appearances 21-27 January

AU301538 [Editorial Report] East Berlin NEUES DEUTSCHLAND in German from 22-28 January reports the following public appearances of GDR leaders (date of publication in parentheses):

Hans-Joachim Boehme, member of the SED Central Committee Politburo and first secretary of the Halle SED Bezirk leadership, and Werner Felfe, member of the Politburo and secretary of the SED Central Committee, attended a party aktiv meeting in Halle on 22 January (23-24 January, p 1).

SED Central Committee Politburo members Horst Dohlus and Siegfried Lorenz, and candidate member Werner Walde conveyed congratulations of the SED Central Committee to Hans Modrow, first secretary of the Dresden SED Bezirk leadership, on his 60th birthday. Horst Dohlus awarded Modrow the honorary title "Hero of Work" in Berlin on 27 January (28 January, p 2).

Army General Friedrich Dickel, minister of the interior and head of the German People's Police, spoke at a meeting of leading officials of the Ministry of the Interior in Berlin on 25 January (26 January, p 6).

Werner Eberlein, member of the SED Central Committee Politburo and first secretary of the Magdeburg SED Bezirk leadership, attended a forum of young workers, cooperative peasants, engineers, pupils, and students in Magdeburg on 23 January (25 January, p 2).

Oskar Fischer, GDR minister of foreign affairs met with the heads of the FDJ friendship brigades in Berlin on 21 January (22 January, p 2).

Army General Heinz Kessler, member of the SED Central Committee Politburo and minister of National Defense, visited the "Arthur Ladwig" Motorized Rifle Regiment on 24 January (25 January, p 2).

Heinz Kessler visited the "Otto Grotewohl" Civil Defense Institute in Beeskow on 27 January (28 January, p 2).

Guenter Kleiber, member of the SED Central Committee and deputy chairman of the GDR Council of Ministers, received the heads of the delegations of the CEMA member states in Berlin on 26 January (27 January, p 2).

Egon Krenz, member of the Politburo and secretary of the SED Central Committee, conveyed congratulations of the SED Central Committee to Guenter Erbach, state secretary for physical culture and sports, on his 60th birthday and awarded him the honorary clasp to the Fatherland Order of Merit in Gold in Berlin, no date given (23-24 January, p 2).

Egon Krenz attended a reception given by Indian Ambassador Jagannath Doddamani on the occasion of the anniversary of the proclamation of the Republic of India in Berlin on 26 January (27 January, p 2).

Margarete Mueller, candidate member of the SED Central Committee Politburo, attended a delegate assembly of cooperative peasants and workers of the Friedland Agricultural-Industrial Association in Schwichtenberg, Neubrandenburg Kreis, on 21 January (22 January, p 2).

Guenter Schabowski, member of the SED Central Committee Politburo, secretary of the SED Central Committee, and first secretary of the Berlin SED Bezirk leadership, visited the REWATEX Combine in Berlin on 21 January (22 January, p 8).

Harry Tisch, chairman of the FDGB National Executive Council and member of the SED Central Committee Politburo, spoke at a legal conference of the FDGB National Executive Council in Berlin on 21 January (22 January, p 1).

Werner Walde, candidate member of the SED Central Committee Politburo and first secretary of the Cottbus Bezirk leadership, visited the Lauta "Albert Zimmermann" Aluminum Works on 22 January (23-24 January, p 2).

FRG Coverage of Unrest Criticized

AU301711 East Berlin NEUES DEUTSCHLAND in German 28 Jan 88 p 2

[Hubert Reichel commentary: "'DEUTSCHLANDFUNK' Disliked a Disclosure by UNSERE ZEIT; 'East Berlin's Tough Course' or: Who Puts a Strain on German-German Relations"]

[Text] DEUTSCHLANDFUNK disliked a disclosure by UNSERE ZEIT that "opposition groups" in the GDR are technically and financially supported by West Berlin. It particularly disliked the UZ statement that such operations "are not favorable to sensible relations with the GDR and peaceful good-neighborliness." No wonder. The tendency of the "pluralistic" bourgeois media has recently pointed in another direction. The fact that GDR authorities are conducting investigations against several persons "after their connections to circles in West Berlin

which are controlled by intelligence services have been discovered," is interpreted as a "tough course by East Berlin" (RUHR-NACHRICHTEN), as a new "ice age" (BREMER NACHRICHTEN), and as a "strain on German-German relations." And here a political dimension is added.

This is a trick to send the policy of dialogue into oblivion, pursued by the GDR with patience and tenacity, to which the progress that has been made in relations between the two German states is to be primarily attributed. This applies above all to the Honecker visit and its results. To the intention of both sides, stipulated in the joint communique, "to work within the framework of their alliances for a policy aimed at reducing tensions and safeguarding peace and to contribute to continuing dialogue and long-term cooperation."

Those who stick to the facts will easily realize that the GDR is clearly pursuing this course. This has been demonstrated by Honecker's letter to Kohl, which includes a number of concrete proposals on how both German states can contribute to disarmament. Unfortunately no concrete answers have as yet come from Bonn. And this has been proven by the fact that the Soviet Union will remove its missiles from the GDR and CSSR earlier than planned. We are still waiting for a similar initiative from Bonn.

Also in the humanitarian sphere, in issues concerning travel and the unification of families, the GDR does not lag behind. At the end of 1987 Joachim Nawrocki drew up the following balance sheet in DIE ZEIT:

"There are millions of journeys both ways, and border controls are so liberal that one asks oneself why the GDR still has decrees regulating the taking along of goods and presents and their dispatch by mail.... This year some 3 million GDR citizens travelled to the West: 1.7 million old age pensioners and 1.2 million people below this age. Owing to the fact that many people travel several times, the total number will be about 5 million, which corresponds to the number of people traveling from the FRG to the GDR."

A positive development has taken place in many areas, also in the sphere of cultural exchange and town-twinning agreements. This is fully in line with the communique of the Honecker visit which clearly and unmistakably states: "There was agreement to safeguard and expand what has been achieved while observing the principle that both states respect the independence and sovereignty of each of the two states in its internal and external affairs. Willingness to reach understanding and reason should be the guidelines for constructive cooperation between the two states, aimed at practical results."

The emphasis is on internal and external affairs! We do not want to anticipate the outcome of the investigations by the competent GDR authorities on the connection of the so-called GDR opposition with circles in West Berlin, which are controlled by intelligence services. However, the letter of "peace fighter" Jahn, quoted by UZ, confirms that the financial and technical support for "protest groups" is carried out from Berlin, which, on their part, use the Western media in perfect timing. SUEDEUTSCHE ZEITUNG of 26 January suggests that "the tough measures" of the GDR are not really to be understood as the start of a fight but rather as a warning to the protest scene." And it continues: "The fact that suspicion of treason is suddenly being raised—which can easily be constructed from contacts with the West, which the protesters certainly have—can be understood in this sense. And there is no longer any mention of "courageous fighters for human and civil rights" when RUHR-NACHRICHTEN praises GDR citizens who are ready "to present real communism and its representatives through imaginative, sophisticated, and subtle forms of resistance." That means to pillory the GDR as a "simple police state", as the underground publication GRENZFALL did last year, and to dismiss its international recognition as a factor of peace in Europe.

In this connection, one naturally recalls former campaigns against the GDR:

—the "Manifesto of the GDR Opposition" which was allegedly drafted by "a group of medium- and high-ranking SED functionaries" and launched by SPIEGEL 1977/78. It turned out to be the work of the Federal Intelligence Service (BND);

—the paper DER DRITTE WEG which was allegedly published by opposition communists. In his memoirs, the long-time president of the Federal Office for the Protection of the Constitution, Nollau, admitted later that he himself had founded and financed this "opposition paper";

—a "letter from 18 young GDR Christians" to the Evangelical Church of Thuringia, the wording of which was reprinted in all papers from FRANKFURTER ALLGEMEINE ZEITUNG to TAGESZEITUNG (TAZ), but which never reached the church leadership because its original never existed; it was the outcome of a joint action between the intelligence services and the media.

A politically and economically stable state like the GDR can afford a lot: records in tourist traffic (see corresponding statistics) and dialogue and ideological disputes across the borders of systems (see SED-SPD paper). This does certainly not include the installation of antisocialist "bridge heads." There was good reason for not stipulating this in the communique.

Fischer Pays Official Visit to Spain

Arrives 31 Jan

LD311703 East Berlin ADN International Service in German 1647 GMT 31 Jan 88

[Text] Madrid, 31 Jan (ADN)—GDR Foreign Minister Oskar Fischer arrived in Madrid this evening on a 3-day official visit to Spain. He was invited by his Spanish

counterpart Francisco Fernandez-Ordonez, who warmly welcomed his guest at the Spanish capital's airport.

Makes Statement

LD311940 East Berlin ADN International Service in German 1912 GMT 31 Jan 88

[Text] Madrid, 31 Jan (ADN)—GDR Foreign Minister Oskar Fischer arrived in Madrid this evening on a 3-day official visit to Spain. He was invited by his Spanish counterpart Francisco Fernandez-Ordonez, who warmly welcomed his guest and his entourage at Barajas Airport.

On arrival Fischer stated to journalists that he expects interesting and fruitful talks. Relations between the GDR and Spain are good and are developing consistently. Above and beyond this, he will hold an exchange of thoughts on the main issues of international security and the consolidation of peace with the aim of promoting disarmament.

During his visit, the GDR foreign minister will hold official talks with his Spanish counterpart. He will also meet with other leading politicians.

Sindermann Welcomes Danish Delegation

LD011115 East Berlin ADN International Service in German 1028 GMT 1 Feb 88

[Text] Berlin, 1 Feb (ADN)—A Folketing delegation from the Kingdom of Denmark, headed by its chairman, Svend Jakobsen, arrived this morning for a several-day official visit to the GDR. The Danish parliamentarians were cordially welcomed at Berlin-Schoenefeld airport by Horst Sindermann, president of the GDR People's Chamber and SED Central Committee Politburo member. The deputation consists of members of the Social Democratic Party, the Conservative People's Party, the Socialist People's Party, the Liberal Party, and the Social-Liberal Party. Danish Ambassador to the GDR Erik Herluf Krog-Meyere was present.

The Danish delegation will be conducting talks in the highest representative body of the GDR about the parliamentarians' responsibility in the struggle for peace, and brief itself about the tasks and the work of the People's Chamber. The guests will be getting to know the work of the deputies of local representative bodies in the Cottbus and Dresden Bezirks.

Varkonyi Meets Stockholm Summit Envoys

LD292229 Budapest MTI in English
1650 GMT 29 Jan 88

[Text] Budapest, January 29 (MTI)—Hungarian Foreign Minister Peter Varkonyi Friday met the leaders of the Budapest embassies of the group called "the initiative of six nations". The leaders gave a brief on the recently held Stockholm summit of "the six" Argentina, Greece, India, Mexico, Sweden and Tanzania - and forwarded the official copy of the statement approved there.

On commission from their governments, they stressed that their countries, voicing the responsibility held by states which do not possess nuclear weapons for safeguarding peace, shall continue efforts to halt the arms race, and for disarmament. The aim of the concrete proposals formulated in the statement is to promote the conclusion of the arms restriction agreement between the nuclear powers, mainly the United States and the Soviet Union, in the verification of which "the six" are ready to participate.

On behalf of the Hungarian Government and public, Peter Varkonyi welcomed the initiating conduct of "the six". He stressed that Hungary far-reachingly agrees with the goals of the group, and supports its activity.

The Hungarian Foreign minister noted that the activity of "the six", and the "tripartite initiative" published recently in Budapest, Rome and Helsinki serve equally well the activization of countries which do not possess nuclear weapons, in the interest of arms limitation and the cause of detente.

Delegate Addresses Vienna CSCE Meeting

LD292145 Budapest MTI in English
2025 GMT 29 Jan 88

[Text] Vienna, January 29 (MTI)—More than ever before,the Vienna follow-up meeting needs reality and dynamic progress - said Ambassador Andre Erdos, head of the Hungarian delegation, on Friday in his contribution at the full meeting of the conference. He stated that the effects of the favourable international atmosphere are hardly tangible in the conduct and negotiating practice of the delegations. Creativity and realism are alike needed for the success of the meeting, already in its fifth round. For Hungary, however, reality does not mean acquiescence into certain unfavourable situations and the acknowledgement of the practice applied in some issues and fields so far. The aim is to fill the opportunities provided by the Helsinki Final Act with as meaningful content as possible.

Andre Erdos pointed out that in the field of military security the previous round yielded considerable progress. On this basis there is opportunity to continue the process which was started by the Stockholm agreement. One of the most important results of the Vienna talks would be the extension of the European security process with real and concrete negotiations aimed at disarmament, in the first phase of which the reduction of the conventional armed forces of the Warsaw treaty and NATO countries will be the aim.

As a consequence of the Soviet-American missile agreement, the reduction of conventional forces in Europe and the stability of the military situation have become key issues. Only a cooperative security system that respects the security of all countries can be the lasting basis of European peace. All efforts aimed at annulling, with additional armament, the disarmament agreements achieved with great difficulties, thus making progress difficult in all areas of disarmament, are irreconciliable to this.

Andre Erdos noted: There are good chances for progress in the field of economic cooperation, but in the related more problematic subjects the editing work of the final document has still not started at the Vienna meeting. The transformation processes in some socialist countries provide favourable conditions for the acceleration of the Helsinki process in this field, too.

The ambassador called for more vigorous work related to the 'third basket' of the Helsinki Final Act, the so-called human dimensions. He said: The documents seeking a compromise at the meeting are, in general, acceptable for Hungary. Discussing the human rights and humanitarian cooperation and consultation mechanism he said that exchange of information between the states is also a part of this, in which non-governmental organizations and individuals could also participate in an appropriate way.

The proposed Moscow conference on humanitarian questions would deal with the summarization of the operation of this mechanism and explore new ways of cooperation. The mandate of this should be created with sufficient encouragement for practical results. Andre Erdos emphasized that the more liberal exit and more simple entry conditions are important means in the building of confidence between people and nations.

Speaking on cultural cooperation, which is also important in human relations, the ambassador called attention to the fact that the valuable experiences of the Budapest cultural forum and the proposals made in Vienna on the basis of the ideas raised there should not be left out of consideration.

Ambassador Erdos also discussed the issue of national minorities. He set down that this cannot be handled exclusively in the context of individual human rights. The recognition of the national minorities' collective rights makes it possible for these minorities to create the cultural frameworks which promote the fostering of their own language, literature and traditions, and contacts with people of the same language and culture living across the borders.

The head of the Hungarian delegation said in conclusion: Hungary does not agree with the attempts aimed at the adoption of a final document lacking in substance. Hungary can only support a final document of the Vienna conference which embraces all the cooperation fields and envisages new steps, that is one which is meaningul and balanced.

Gyorke Meets Lebanese CP Official

LD291639 Budapest MTI in English 1458 GMT 29 Jan 88

[Text] Budapest, January 29 (MTI)—Jozsef Gyorke, deputy head of the Foreign Affairs Department of the Central Committee of the Hungarian Socialist Workers Party, conferred in Budapest with Nadim 'Abd al-Samad, deputy general secretary of the Lebanese Communist Party, who stopped for a brief visit to Hungary in transit. Discussions were held on the Middle East situation, with special regard to the Palestinian popular movements in the occupied territories and conditions in Lebanon. The inter-party relations were also reviewed.

The parties agreed that the brutal suppression of popular Palestinian protests in the occupied territories is aggravating the situation and setting new obstacles to efforts at the peaceful resolution of the Mideast problem. They stressed that a just and lasting settlement of the Middle East crisis is only viable if all peoples of the region are guaranteed the right to security and self-determination, including the Palestinians' right to independent statehood. The only way to settlement leads through joint international efforts and an international peace conference attended by all interested parties and the standing members of the Security Council.

The HSWP representative assured the Lebanese Communist Party of the backing of the Hungarian Party in its struggle for the restoration of the country's unity on a democratic basis and the maintenance of its sovereignty.

USSR Komsomol Delegation Ends Visit, Departs

LD301626 Budapest MTI in English 1547 GMT 30 Jan 88

[Text] Budapest, January 30 (MTI)—The delegation of the Leninist Komsomol which had paid a five-day visit to Hungary under the leadership of Secretary Nikolay Dolgushkin left Budapest on Saturday. The delegation held talks with leaders of the Hungarian Communist Youth Union (KISZ) CC on the state of the youth in the two countries, and the work of their organizations. The delegation studied the youth policy work of Hungary's political and social organizations, and obtain information about the implementation of the youth act.

The delegation met Csaba Hamori, first secretary of the KISZ CC, Istvan Petrovszki, head of the party and mass organizations department at the HSWP CC, Imre Pozsgay, general secretary of the National Council of the Patriotic People's Front, Gabor Deak, president of the State Office for Youth and Sports, and Ferenc Solyom, secretary of the Central Council of Hungarian Trade Unions.

Nemeth Answers Questions on Economic Issues

LD292249 Budapest Television Service in Hungarian 1830 GMT 29 Jan 88

[Text] [Announcer] Good evening. The Presidium of the Scientific and Technical Associations Federation has gathered together questions which interest most of us. The majority of these relate to the recent past of our economic management, the guarantees of a resurgence, and this year's plan. Miklos Nemeth, the party Central Committee secretary concerned with economic issues, has been asked to supply the answers:

[Unidentified correspondent] The state's paternalistic tutelage of enterprises must be stopped. In place of personal relations, money should be the sole measure in the coordination of interests. At the forefront is real competition neutrality, producer price reform, and technical development. Among other things, these will be dealt with during the next few minutes, but first and foremost, the past, the causes which have led up to our present economic situation:

[Begin Nemeth recording] The process that took place between 1981-84 was incomplete and was not carried through consistently. There was an optimistic overestimation of the results achieved in improving a balanced situation—mainly the external balance—and a contradictory system of economic political priorities based upon that was adopted both at the 13th congress and in the Seventh 5-Year Plan. [end recording]

[Unidentified correspondent] What is more, the party resolution prescribing a reform of the system of direction was not realized either. However, there have been and are other problems, too. For instance, the lack of enterprise independence:

[Begin Nemeth recording] The paternalistic tutelage, the state approach which confounds and thereby enlarges and even covers up our problems which exist in strucutre policy, must be stopped as soon as possible. [end recording]

[Unidentified correspondent] the tasks of the state should be decisive in the sphere of infrastructure, power engineering [energetika], issues affecting our international relations, and of social policy. Apart from these, everything must be referred to the sphere of enterprise authority:

[Begin Nemeth recording] At the beginning of the next 5-year plan we will have to develop a state of affairs in which money and not hierarchical and subjective relations will be the sole tool of interest integration and where profit will be the means of measuring activity. [end recording]

[Unidentified correspondent] As for our prospects this year and the somewhat belated national economic plan, Miklos Nemeth said:

[Begin Nemeth recording] We have not been able to realize our aim of adequately improving the activities of enterprises which operate well. We have not managed to achieve the declared competition neutrality and we cannot maintain for long the regulations relating to these spheres. Also, we have not managed to implement a reform in production prices as we intended and which we announced at the start.

Another factor which was not incorporated into the 1988 plan—only in its intention and small steps—is the furthering and preparing for technical development and technological progress. This did not receive the appropriate priority and support in the tax system and other elements of the economic regulation system do not satisfy this requirement. So that in fulfilling the modest but stretched provisions for 1988, we must already now express the intention—and both the administration and the party leadership must commit themselves to this, with respect to economic policy—that in these three spheres they should consider returning to the original objectives as the main issue in the development of economic policy and the system of direction. [end recording]

Official Analyzes 1987 Retail Trade Turnover

AU010814 Budapest NEPSZABADSAG in Hungarian 27 Jan 88 p 10

[Article by Andras Nyiro, deputy director of a main department at the Ministry of Trade: "The Market of Consumer Goods in 1987-88"]

[Excerpt] Retail trade turnover in 1987 amounted to 638.7 billion forints in current prices, which exceeds the turnover in 1986 by 13.3%. From another perspective, this figure also means that almost 75 billion forints, the sum we spent on consumer goods in excess of our expenditures on the same in 1986, amounts to the turnover of almost 6 weeks. This actual increase in purchases was actually somewhat smaller because prices also changed during the year. Taking into consideration the amount of change in retail prices available for January-November 1987, which indicates an increase of 7.7%, there was an increase in retail marketing of 5.2% in unchanged prices. This is significant not only because the increase has considerably exceeded the 0.1% increase stipulated in the calculations of the people's economy, but also from the point of view that except for 1977 alone, there has not been this kind of increase since 1975. The other years of the period between 1975-86 were characterized by a rate of annual increase between 01.-3.9%.

The market of consumer goods was strongly mobile throughout 1987, and this practically characterized the entire year. The population occasionally preferred different groups of products and its demand fluctuated on the market, at times slowing down or increasing. As shown by representative surveys the differences could be discernible even within a month: An increase of 10-12% in the turnover of the first 2 weeks could be followed by an increase of 28-30% in the turnover of the last 2 weeks.

Regarding this fluctuation in demand, it is worth mentioning one of the conclusions from the examinations that were held throughout 1987, namely, that the sensitivity of the population to prices increased considerably. Extensive buying started before every price increase that was published, irrespective of which group of products was affected by the increase. This is what happened in March and July, and later, from the second half of September almost until the end of the year. All this reflects the consumers' rational behavior, a behavior, that aims at curbing those effects of the price increases which reduce the people's real income and their standard of living. [passage omitted]

Fejti Addresses Young Economists Conference

LD302332 Budapest MTI in English 1944 GMT 30 Jan 88

[Text] Budapest, January 30 (MTI)—Development of the system of Hungarian political institutions was the topic of a paper delivered by Gyorgy Fejti, secretary of the HSWP Central Committee, at the national conference of young economists in Salgotarjan, on Saturday.

The changes required in the political institutional system are getting in the focus of political interest, he said. It has been realized that there is a strong interrelationship between the system of political and social institutions and economic performance. Harmony between them is indispensable for both economic advance and social stability. The aim is to create the conditions of a transition from "power exercised on behalf of the people" to "power exercised by the people", Gyorgy Fejti said. It is important that the party should maintain its initiating role in this process. The party, however, does not regard the search for the road towards socialism and reform thinking as its privileges. Therefore it welcomes all initiatives, critical remarks and proposals that are fundamentally aimed at strengthening the positions of socialism.

Concerning the strategic directions of the planned changes, Gyorgy Fejti emphasized the necessity of more clear division of labour between the party, the state and governmental organs, the mass organizations and movements, and the individuals. This makes it necessary to

establish more clear relations in decision-making and responsibility and separate the functions more consistently. The critical remarks concerning the disorders in the operation of the political system must be welcomed and thoroughly studied, Gyorgy Fejti said and called for the establishment of institutional forums for 'constructive discontent', and a better social mechanism for the integration of various interests. It is a fundamental prerequisite that the interests of the various strata and groups of society should be duly represented.

In his paper Gyorgy Rejti discussed the current overregulation of society, and emphasized the importance of openness in decision-making. He insisted on the assertion of the principle that no organizations, bodies, or office-holders should be allowed to make decisions on major social issues without social control.

Statistical Office Issues Economic Report

LD291933 Budapest MTI in English
1808 GMT 29 Jan 88

[Text] Budapest, January 29 (MTI)—According to the annual report of the Central Statistical Office on the 1987 trends of the Hungarian economy, the economic processes as a whole showed modest improvement which, however, lagged behind plan.

The gross domestic product increased by 2.5-3 per cent instead of the envisaged 2.1 per cent, and its domestic use rose by 2 per cent, while it was planned to drop by 0.2 per cent. The national income increased by 2-2.5 per cent, compared to the at least 2 per cent growth foreseen.

Gross industrial production was 3.7 per cent in excess of the previous year's level, surpassing the target of 2-2.5 per cent. In industry 345 new economic units were set up and 22 closed down. The number of joint ventures with foreign capital rose from 24 to 59. The number of industrial employees decreased by 2.5 per cent.

The volume of construction industrial activity went up by 2-3 per cent. Last year 57,200 flats were built, 17-18 per cent fewer than in 1986.

The gross agricultural output fell 0.5-1.5 per cent short of the 1986 figure, instead of rising by 4.5-5.5 per cent as planned. The lag was mainly due to the unfavourable weather. Grain yields totalled 14.1 million tons, nearly as much as the year before. The potato output fell by 17 per cent, fruit by 16 per cent and sunflower by 8 per cent. Slaughter animal production grew by more than 3 per cent to 2.3 million tons.

The sum of national economic investments made up 291,000 million forints, a rise of 12 per cent at current prices and of 6 per cent at comparative prices. Within this, the sum of company projects went up by 18,000 million forints, or 14 per cent. Expenditures on central and councils investments increased by 6,000 and 4,000 million forints, respectively. Investments of the population and the private sector amounted to 56,000 million forints, marking an increase in value and a decrease in volume against the previous year.

The energy consumption of the national economy rose by 2.2 per cent, and the specific use of energy declined by 1.5-2 per cent in the material branches.

As for the employment situation, the vacancies outnumbered the job-seekers in the economy as a whole, while the number of people without work for longer periods of time increased in certain regions of the country, mainly the north east, as well as among unskilled workers.

The number of active earners decreased by 18,000 (0.4 per cent) and was 4,867,000 at the end of the year, which was 45.9 per cent of the population. The number of active earners in the socialist sector decreased by 36,000 persons, while an increase of 18,000 was noted for the private sector, and the share of this latter category among active earners increased from 5.4 per cent to 5.8 per cent.

In 1987 the real income of the population remained on the level of the previous year. Nominal incomes and consumer prices increased at an almost similar rate and exceeded the planned level by 1.5 per cent.

The consumer price level was 8.6 per cent higher on an annual basis than in the previous year.

The average monthly earnings of workers and employees was 7040 forints, the average earnings of workers of agricultural cooperatives from the cooperative was 6,220 forints, which is 8 and 7 per cent higher, respectively, than in 1986. In real values, however, this was 1 and 1.5 per cent lower, respectively.

The consumption of the population increased by 2.5-3 per cent in contrast to the planned 0-0.5 per cent decrease, while savings decreased. Savings deposits increased by 11,700 million forints to 286, 600 million forints, the interest charges amounted to 14,400 million forints, which is more than the increase in the deposits. The amount of money invested by the population in securities has increased by 11,000 million forints.

Retail turnover, which accounts for 60 per cent of the consumption of the population, increased by 5 per cent at comparative prices.

During the year 140,000 new cars were sole, 32,000 more than in 1986. Car numbers reached 1,660,000 by the end of the year.

In the telephone network 43,000 new stations were set up. The number of private telephone sets per 1,000 inhabitants increased from 49.4 to 52.4.

In foreign trade the value of the exported goods was 450,000 million forints, 7 per cent more than in the previous year. The value of imports increased by 5 per cent to 463,000 million forints.

In rouble accounted trade imports rose by 4 per cent, exports by 2.5 per cent. In 1987 the terms of trade, after years of deterioration, improved by 3 per cent over the previous year.

In the non-rouble accounted trade imports increased by 2.6 per cent and exports by 5 per cent. The increase in exports was realized in unfavorable structure. Terms of trade failed to change over last year in this relation.

The foreign trade balance in 1987 showed a substantial import surplus, although less than in 1986. Non-rouble accounted turnover showed a deficit as compared to the planned surplus. The volume of this was smaller than in the previous year: Accounted with actual freight payments it was 361 million dollars. Rouble-accounted trade closed with a surplus of 141 million roubles.

In 1987 the number of foreign visitors to Hungary was 19 million, an all time high. The number of tourists increased by 11 per cent, the time spent in Hungary increased by 10 per cent.

Some 60 per cent of the foreigners arrived from rouble accounting countries. They numbered 4 per cent more and incomes increased by 14 per cent. Hungarian citizens made 5.7 million trips to these countries, which is 19 per cent more than in the previous year. In international tourism accounted in transferable roubles, a surplus of some 300 million roubles was achieved.

From non-rouble accounting countries 7.7 million persons arrived, one-third more than in the previous year. Hungarian citizens travelled to these countries on 1.5 million occasions, somewhat more than in the previous year. The non-rouble accounted tourism revenue surplus was 370 million dollars, which is almost double that of the previous year's figure.

Bank President on Economic Performance

AU291031 Budapest MAGYAR HIRLAP in Hungarian 27 Jan 88 p 1,5

[Correspondent's report: "Matyas Timar's Press Conference—Perceptible Improvement—No Change"]

[Excerpts] Matyas Timar, president of the Hungarian National Bank, held his regular annual press conference at the National Bank headquarters in Budapest on 26 January. Speaking about performance in 1987, he said that in comparison with 1985-86, the economic balance had improved in 1987, but that compared to the requirements, this improvement was unsatisfactory.

The international balance of payments is more favorable than in 1986 following relatively weak results in the first 6 months of 1987, the results for the second half of the year improved as a result of the budgetary, monetary, and price-related measures that were introduced during the year. The current deficit in convertible currency is approximately $900 million (the people's economy had estimated a deficit of $700-800 million), as compared to $1.4 billion in 1986. The current balance of payments calculated in nonconvertible currency at the end of the year has a surplus.

The foreign trade balance and the burden of the interest on our foreign debts are the two main factors that determine the balance of payments. The foreign trade balance is more favorable than in the previous year, and exports reached the level stipulated by the program. However, the surplus of imports calculated in non-ruble currency, however, is greater than planned. Following a deterioration in the first 6 months of the year, terms of trade calculated in non-ruble currency improved in the second half of the year; as a result, for the whole year there were no losses resulting from the terms of trade. Terms of trade calculated in rubles improved. Our revenues from tourism reached a record level, although our spending on travel abroad also increased. The surplus in tourism improved our foreign economic balance by about $365 million, and we intend to improve on this in 1988.

Assessing 1987, Matyas Timar stressed that there was an improvement in economic performance and in the balance of the people's economy. However, a balance between the creation of income and consumption was not established and a complete change to a stabilized economy has not yet occurred. [passage omitted]

The amount of investment loans granted by commercial banks and specialized financial institutions—in addition to loans amounting to approximately 33 billion forints being granted and loans amounting to 23 billion forints being repaid—rose to 10.2 billion forints (the financial resources at the disposal of the banks were greater than this).

The total amount of deposits of enterprises and cooperatives in commercial banks and specialized financial institutions amounted to 158.8 billion forints. The increase in deposits during December 1987 amounted to almost 20 billion forints.

The turnover of bills of exchange developed rapidly in 1987. The amount of discounted bills of exchange at the end of 1987 was approximately 12 billion forints.

The value of banknotes and coins in circulation increased by 26.1 billion forints. This occurred in consunction with a dynamic flow of money to and from banks throughout the entire year. [passage omitted]

We took out more loans than planned because the increase in our net debt was greater than estimated. Still, we took out considerably fewer loans than in 1986.

In 1987 we concluded two new long-term loan agreements with the World Bank. Within the framework of the second program of industrial reorganization, the World Bank is giving us a $150 million loan. This loan is intended to promote the continuation of the first industrial reorganization program begun in mid-1986. In addition, this loan will also contribute to modernizing economic environment that determines the activities of industry as a whole. The second loan amounts to $70 million and will promote a telecommunications program being implemented by the Hungarian Post.

We continued to take out long-term loans. In July 1987 we concluded a loan agreement with a consortium for $400 million over an 8-year term. This loan was arranged by the Deutsche Bank Luxembourg. The so-called Japanese bonds in an amount of 60 billion yen were issued on the Japanese market. They are to be repaid in 10 years. At the end of 1987 we took out a DM1 billion loan for a 12-year term from FRG commercial banks; this loan was guaranteed by the FRG Government. [passage omitted]

The president of the issuing bank said that they consider laying the foundations for the program of stabilization and development—by means of the fiscal and loan policy for 1988, and in coordination with the people's economy plan that lays down the tasks in the government's work program—is the primary goal for 1988. Reducing the deficit in the balance of payments calculated in convertible currency to $500 million is a fundamental goal of the 1988 people's economy plan. Monetary regulation activities will attempt to improve economic balance by placing additional strict limitations on the money supply.

Fiscal and loan policy is aimed at supporting those decisions by banks and financial institutions that are made independently and are based on profitability. Simultaneously, this policy stipulates as a fundamental requirement that in granting loans, financial institutions should give priority to implementing the main goals of the economic policy.

In accordance with the goals set out by the stabilization plan, the increase in the amount of the banking system's domestic loans will be reduced to 6 percent. In conjunction with this, the state budget's demand for loans will decrease significantly, while the amount of loans to enterprises will increase slightly. By making use of its regulatory powers, the issuing bank will attempt to prevent more than a 3-4 percent increase in the money supply in 1988. [passage omitted]

Leaders' Public Appearances 21-26 January

AU302018 [Editorial Report] Budapest NEPSZABADSAG in Hungarian on 22 January and MAGYAR HIRLAP from 23-27 January report on the public appearances of the following leaders between 21-26 January (source, date and page number of each report given in parentheses):

Laszlo Marothy, member of the MSZMP Politburo and minister of environmental protection and water affairs, attended a session of the Executive Council of the Komarom County Economic Association for Environmental Protection in Tata on 21 December. (NEPSZABADSAG, 22 Jan, p 4)

Czaba Hamori, member of the MSZMP Politburo and first secretary of KISZ, attended the first session of the Youth and Sports Committee of the National Assembly held at the parliament on 21 January. (NEPSZABADSAG, 22 Jan, p 5, filed as AU261359)

Istvan Szabo, member of the MSZMP Politburo and chairman of the Agricultural Cooperatives National Council, paid a visit to Budapest's second district on 22 January. (MAGYAR HIRLAP, 23 Jan, p 4)

Gyorgy Lazar, secretary of the MSZMP Central Committee, paid a visit to Nograd County on 21 January. (NEPSZABADSAG, 22 Jan, p 5)

Janos Lukacs, secretary of the MSZMP Central Committee and chairman of the Youth Committee of the MSZMP Central Committee, paid a visit to the headquarters of the State Office for Youth and Sports Affairs in Budapest on 21 January. (NEPSZABADSAG, 22 Jan, p 5)

Matyas Szuros, secretary of the MSZMP Central Committee, paid a visit to Pest County on 22 January. (MAGYAR HIRLAP, 23 Jan, p 4)

Colonel General Ferenc Karpati, minister of defense, attended a session of the Workers Guards at Kormend on 23 January. (MAGYAR HIRLAP, 25 Jan, p 3)

Peter Varkonyi, minister of foreign affairs, received Sir David Orr, chairman of the British Council who visited Hungary between 21-24 January; place and date not given. (MAGYAR HIRLAP, 25 Jan, p 5, filed as AU2711420) He also attended a reception by Oliver James Cordell, ambassador of the Commonwealth of Australia in Budapest, on the occasion of Australia's national day, on 26 January. (MAGYAR HIRLAP, 27 Jan, p 7)

Price Increases for 1988 Announced

LD301936 Warsaw Domestic Service in Polish 1800 GMT 30 Jan 88

[Text] We begin the newscast today with a communique on the increase in official prices in 1988 as well as protective measures.

The ministers of finance and labor, wages, and social affairs have announced the scale and timetable for this year's official price increases and actions ensuring the maintenance of the real value of wages, agricultural incomes, and social benefits in 1988.

The decisions of the ministers take into account: the results of the national referendum of last November, as a result of which the scale of the price increase has been significantly reduced on basic foods from 110% to 40%, among other things; the limitation by the SEJM on the proposed budget deficit planned for 1988 by 100 billion zlotys; the results of consultations with the National Trade Union Accord (OPZZ) on the one side, and also the National Union of Farmers, Agricultural Circles, and Organizations and representatives of state farms and agricultural production cooperatives on the other, in a degree responding to the current possibilities of the economy.

The price increases: First, as of 1 February the official prices—or supply prices—for means of production will increase, including resources for agricultural production.

Second, at the same time, the procurement prices for agricultural products will be increased.

Third, the growth of the overall level of retail prices of all goods and services in 1988 will come to around 36%. This indicator also includes the so-called results carried over from last year. Without them, this year's price increase comes to 27.3%. It excludes, on the other hand, in accordance with the Sejm resolution on the national socioeconomic plan, the effects of the price increase on alcoholic beverages and tobacco products.

Fourth, the increase of official retail prices, which include less than half of the overall value of goods and services purchased by the public, will take place on three dates. On 1 February, the price increases for basic food products will be, on average, 40%, including meat and meat products by the same 40%. The increase in postal payments an average 45%. The increase in gas prices will be an average 60%, diesel fuel 100%, Polish State Railways and Polish Motor Communications tickets an average 50%, radio and TV license fees an average 75%—earlier prepayments will be honored without the necessity of supplements—the growth in rents in state-owned accomodation by 50%. From 1 February also, the prices of spirits will increase on average by 46% and tobacco products will increase an average 40%.

As of 1 March, the fees for kindergartens and preschools will be raised, accompanied by a change in the system of calculating the fees.

As of 1 April—that is after the conclusion of the current heating season—the retail prices for energy carriers will increase. The price of top quality heating coal is being raised by 200%. Gas and electricity—as well as payments for hot water and central heating—by 100%.

Moreover the following will be introduced: sales of gas for cars [pol etylina] at at commercial prices [pol komercyjny]. Also planned—in order to increase the rational nature of the management of electricity—is the introduction of various levels of prices, depending on the amount of consumption by various customers.

Fifth: The decisions currently made exhaust the increases of official prices, as envisioned in the central annual plan for 1988. In accordance with the Law on Prices, the official retail prices are maximum prices.

Sixth: In relation to those items and services which are not encompassed by official prices—and which are of considerable importance for family budgets—the following instruments acting as a brake on the excessive and unjustified growth in their prices will be applied in the necessary range: namely, bans on increasing prices; thresholds for maximum price increases; obligation to inform Treasury chambers about intended price increases; agreements between the finance minister and enterprises, defining the structure of production and the principles for determining prices.

The growth in negotiated prices [pol cena umowna] ought to be maintained within the following bounds: food items, on average, by nearly 25%; nonfood items, on average, by nearly 30%; services, on average, by nearly 40%.

The next part of the communique by the ministers of finance and of labor and social affairs contains information about protective measures.

First: All socialized plants whose economic results in comparison with last year have not worsened have the possiblity of increasing their means of remuneration to a degree corresponding to the price increases. Enterprises whose economic results are better than in 1987 gain the possibility of increasing the means available for remuneration by a greater degree.

Second: Enterprises are authorized to raise—as of 1 February—the remuneration of full-time employee by 6,000 zlotys per month, in the form of a supplement.

This supplement is not subject to tax for over the norm wage payments.

Third, starting 1 February an allowance of 6,000 zlotys per month will be paid to every employee in the budgetary sphere units. Resources to achieve this aim have been provided for in the state budget for 1988.

Fourth, an increase in wages greater than 6,000 zlotys per month will ensue: in enterprises relative to their economic results; in budgetary sphere units within the bounds of the resources granted in the budget law. The increases of individual wages for particular workers in the socialized economy exceeding the level of their supplement should take into account the results of work.

Fifth, in enterprises which pay their workers at the end of the month, the supplement which is due because of the price increase will be paid out earlier. Sixth, as of 1 February the following prices increased: professional allowances, separation allowances, hotel night payments, transport allowances. Simultaneously, the food allowances at camps and winter colonies are increased. Seventh, as of 1 February old-age and disability pensions, irrespective of the date of their granting, irrespective of their legal valorization and their growth, will be increased by a supplement of 3,200 zlotys. [Warsaw PAP in English at 1856 GMT on 30 January carries a report on the communique which states that old-age and disability pensions "will be increased by 1,800 zlotys."] Also, as of 1 February, agricultural pensions and annuities, irrespective of valuation and subsequent increases, will be increased by a supplement of 1,800 zlotys. Over and above that, work pensions and annuities not included in the revaluation will be additionally supplemented by a payment of 2,600 zlotys in two equal installments of 1,300 zlotys. The joint increase of work and agricultural pensions and annuities will on average come to about 52%.

As of 1 January 1988 the nursing allowances for pensioners and annuity holders and the supplements for orphans was increased to 3,090 zlotys.

Eighth, the annual limit on earnings for pensioners and annuity holders that does not cause the suspension or reduction of allowances is being increased from 192,000 to 360,000 zlotys.

Ninth, as of 1 February family allowances supplementing work incomes will be increased. On an identical basis, the family supplements to pensions and annuities are increasing.

Tenth, as of 1 February the income per head for each member of a family is raised to 6,000 zlotys, giving an entitlement to the child allowance [zasilek wychowawczy], whose value is increased to 8,200 zlotys per month.

The income ceiling—which will not suspend the right to the child allowance—is being raised from 168,000 to 360,000 zlotys.

Eleventh, the nursing allowances for disabled members of a family entitled to allowances or the family supplement have been increased.

Twelfth, independent of increases in family benefits there will be increases in supplementary benefits for sick children.

Thirteenth, there will be an increase in the basis for calculating student grants from 10,000 to 14,000 zlotys. The students' grant will increase by 1,000 zlotys.

At the same time, there will be increases in payments to foster families, payments to the alimony fund, social welfare benefits, the monthly lump sum for invalids using motor vehicles, and lump sums for energy to which veterans are entitled.

As of 1 February this year an intervention fund will be created which will be at the disposal of regional bodies of state adinistration at base level and executive officers of towns, districts, and [word indistinct]. The resources of this fund will be earmarked for the poorest families.

Work enterprises will empowered to make supplementary allocations for their social and housing funds.

The above-mentioned income supplements due to the price increases and increases in welfare benefits apply to the effects of all of this year's price increases irrespective of when they were introduced.

In order to give real value to saving bank deposits the interest rate is being increased in 1988.

In accordance with an earlier announcement the government, after the first 6 months, will examine the effect of the increase in retail prices and the increase in incomes on the level of society's standard of living.

The announcement of the ministers of finance and of labor and social affairs—with which we are acquainting you at the moment—contains tables of price increases and incomes.

We now give a few examples of price increases for food.

Low-fat milk: 14 to 19 zlotys a liter;

Full-fat milk: 26 to 38 zlotys a liter;

Powdered whole milk for infants: 106 to 150 zlotys for 500 grams;

Fresh butter extra: 170 to 230 zlotys for 250 grams;

Frozen butter extra: 145 to 195 zlotys;

Table butter cream: 135 to 185 zlotys;

Full-fat curd cheeses: 100 to 150 zlotys per kilogram;

Low-fat curd cheese: 60 to 90 zlotys per kilogram;

Hard cheeses such as Gouda: 300 to 450 zlotys per kilogram;

Salami: 272 to 380 zlotys per kilogram;

Mleczna margarine: 27 to 40 zlotys per 250 grams;

Vegetable oil margarine: 55 to 75 zlotys per 250 grams;

Vegetable oils such as uniwersalny rape-seed oil: 70 to 100 per half liter;

Soya oil: 105 to 145 zlotys per half liter;

Pork fat: 200 to 240 zlotys per kilogram;

Pork lard packed: 55 to 66 zlotys per 250 grams;

Ordinary bready: .80 kg 32 to 46 zlotys;

Light rye bread: 500 grams, 28 to 38 zlotys;

Rye/whole-meal bread: 1 kg, 41 to 57 zlotys;

Wroclawska flour: 50 to 70 zlotys per kilogram;

Poznanska flour: 53 to 74 zlotys per kilogram;

Semolina: 34 to 47 zlotys per 500 grams;

Ordinary oats: 32 to 46 zlotys per 500 grams;

Sugar: 110 to 165 zlotys per kilogram;

Meat: bacon, 154 to 214 zlotys per kilogram;

Meat: pork loin, 640 to 890 zlotys per kilogram;

Meat: pork shoulder, 380 to 530 zlotys per kilogram;

Meat: boneless beef, 404 to 560 zlotys per kilogram;

Meat: beef with bones, 286 to 400 zlotys per kilogram;

Meat: chicken, 244 to 340 zlotys per kilograms;

Meat: frankfurters, 182 to 254 zlotys per kilogram;

Meat: ordinary sausage, 286 to 400 zlotys per kilogram;

Meat: boiled ham, 1060 to 1500 zlotys per kilogram;

Popularna tea: 50 to 70 zlotys per 100 grams.

As we have already announced, as of 1 February there will be an increase in the official prices of production means, among them also the means for agricultural production.

The price of an 'Ursus C-330-N will be 455,000 zlotys higher. One hundred kg of Norway saltpeter will cost 1,250 zlotys more.

Fodder mixture for porkers T-1 brand, goes up by 1,900 zlotys for 100 kg.

The next tables in the communique present the increases in incomes and benefits.

Wages. Factory enterprises are authorized to increase—as of 1 February—the remuneration of every full-time employee by 6,000 zlotys per month. In institutions of the budget sphere, as of 1 February, a supplement of 6,000 zlotys will be paid monthly to each employee.

Here are the increases envisioned this year for old-age and disability pensioners:

Employees old-age and other pensions, irrespective of the date when they were awarded, as of 1 February will be increased by 3,200 zlotys. Persons who began to take a retirement or other pension by the end of 1983 will receive in addition—as of 1 March— a revision averaging 3,400 zlotys; and—as of 1 September, within the framework of a further revision—an average of 1,900 zlotys.

Persons who were awarded benefits in the years 1984-86, besides the supplement of 3,200 zlotys which they will receive as of 1 February, as of 1 March, within the framework of a revision, they will also get an average of 3,400 more and yet another supplement of 1,300 zlotys at the same time. (?And) as of 1 September, the second part of this supplement, an additional 1,300 zlotys.

Now, persons who received benefits during 1987. As of 1 February, just like the remaining groups, there will be a supplement of 3,200 zlotys, as well as two parts of an additional sum: 1,300 as of 1 March and the same sum as of 1 September.

As of 1 February, there will be an increase in family benefits supplementing income from work. The benefit to a family with the lowest income goes up to 7,500 zlotys per person, that is 5,000 zlotys more than now. The increases, as you can see, decrease as the incomes per person in the family grow. Above 13,000 zlotys per person, the benefit will amount to 2,000 zlotys, that is, it will be 700 zlotys higher.

At the same time as retail prices are increased, prices for the procurement of agricultural produce are being raised. For a quintal of rye, farmers will receive 1,200 zlotys more; and for 100 kg of wheat, 1,500 zlotys more. The price for the procurement of rape is going up by 2,300 zlotys; and that of sugar beet, by 270 zlotys.

As of 2 January this year already, the deliveries of beef and pork livestock are encompassed by the new prices: payments per kilo of pork livestock are higher by 115 zlotys; and of beef livestock, by 92 zlotys.

As of 1 February a liter of milk will be procured at a price which is an average 19 zlotys 18 groszy more expensive.

The aim of the presented measures in the sphere of wages, agricultural incomes and social benefits is—in accordance with the Sejm resolution on the national socioeconomic plan—the maintenance of a realistic level for the income of the population, except for the increases in the prices of alcohol and tobacco prices.

So what is the point of an increase in prices if their effects are being levelled by the increase in incomes and the protective measures? The point rests in three mutually connected issues:

First: To force savings. In order to achieve this, it is essential to put the structures of prices in order. The prices of many goods do not correspond to the actual costs and availability on the market. The current pattern of prices means that it still does not pay citizens and enterprises to save energy, raw and other materials, not to rationalize their consumption. The wasteful management of coal, gas, and electric energy must threaten the profitability of production; it must be in contradiction with the interests of enterprises and their workforces.

Second, in order to stimulate production, the arrangement of prices should favor the attainment of the highest incomes by those producers who are producing most efficiently and whose products are most socially sought after. this is the basic condition for market equilibration.

Third, for the appropriate division of general social resources, the limitation of subsidies has an important significance. Subsidies are covered from the budget; thus they constitute a special form of help from collective resources. They allow the maintenance of a good or service at a level lower than would ensue from the costs or needs of a normal market equilibrium. However, they signify the direction of help from the resources of all of society not just to the poorest, but also to the richest. This thus leads to a disturbance of the principles of social justice. The introduced variegated price increases serve the equilibrium of the market and create the bases for the removal in the coming years of significant causes of inflation and also the ordering of the system of subsidies. The increases take in, above all, raw materials, resources, and energy. Their scale, in relation to supply prices, announced before the referendum has been maintained on principle—high for coal, gas, and electric energy, lower for the remaining resources, and lowest for the products of the processing industry.

The growth of supply prices and the limitation of subsidies to the means of production for agriculture influences the profitability of agricultural production. Therefore, it becomes necessary to increase the official prices of procurement on such a scale as will ensure the full coverage of the effects of the price increases on the means of production, production services, and also the financial burdens of agriculture; to level out the increase of the costs of maintaining farm families; and to improve the relation of incomes of most of those employed in agriculture to the incomes of workers in the socialized economy. The increase of procurement prices by 48.4% will improve this relation by 7 percentage points to the advantage of agriculture relative to 1987. The increase in prices of basic food products is taking place on a scale nearly two-thirds below the level which was proposed—and is economically more rational—but was rejected in the referendum. Its aim is to maintain the indispensible link between the costs of production, procurement prices, and retail prices, as well as the equilibrating influence on the market of food products. In particular, the point is to maintain the profitability of food production.

The increase in the price of alcohol products will serve to limit their consumption. Similar aims are behind the increase in the prices of tobacco products.

The price increases are neither the sole nor the basic element of rebuilding the market and monetary equilibrium. They are nonetheless a factor on which, to a considerable measure, the mobilization of all mechanisms of the economy under reform depends. This signifies a striving toward a situation whereby the price reflects the real value of the item, and so that it ensures equilibrium in the market. Remuneration should correspond to the actual value and individual results of work.

The average growth in remuneration will level out entirely the results of the price increases. A higher increase in wages than the average will be awarded to employees by those ecnomic units which improve their economic results compared to last year.

In the budget sphere, higher growth in wages will embrace, for example, the health service whose material situation, in accordance with the decisions of the central annual plan, will be improved.

The solutions adopted are not aimed at a full [word indistinct] of the increases in wages at the moment when prices are increased. Such a treatment of the growth in remuneration would lead to growth of wages exclusively in terms of social function and would mean a break in the natural link between remuneration and individual results of labor, as well as the economic situation of the enterprise.

The measures adopted for wages and social protection, in conjunction with the increases in prices, serve above all to ensure for all persons employed in the socialized economy a levelling of the predominant part of the rise

in the costs of living. The measures also serve to direct social benefits to a (?stronger) degree than up to now toward those social groups which for objective reasons are not able through their own work to safeguard for themselves a maintenance of their living standards.

The increase in social benefits ensures a growth in their real value. It also improves the relationship of the average employee's old-age and other pensions to the average remuneration in the socialized economy. For the first time the average pension benefit will exceed 60% of the average wage.

The sum total of the solutions concerning wages and social benefits ensures the maintenance of the real value—excepting the effects of the increase in the prices of alcohol and tobacco—of the average incomes of employees in the socialized economy and of persons receiving benefits. It also creates the possibility of raising their level. The text of the communique will be published in the press on Monday.

Protesters in Gdansk

LD311609 Hamburg DPA in German
1542 GMT 31 Jan 88

[Text] [No dateline as received] A demonstration by followers of the banned Solidarity trade union against the drastic price increases announced on Saturday was held in Gdansk on Sunday. At the same time the Solidarity leadership body, the Executive Commission, and Lech Walesa have protested in Gdansk against the price increases and demanded their immediate withdrawal.

Solidarity spokesman Janusz Onyszkiewicz told DPA by telephone from Gdansk that after a mass in St Mary's Church some 3,000 people marched with banners to the building of the area party committee. They shouted "Down with price increases" and "There will be a strike tomorrow." Other banners read: "A hungry people will gobble up the state power." After approximately 30 minutes the protest march disbanded. Police did not intervene, Onyszkiewicz said.

The statement by the Solidarity Executive Commission, which met in Gdansk, emphasizes that the price increases will only fuel inflation and increase social tensions in Poland. "We demand that the price increases be withdrawn, the consequences of which will be very tough for everyone, and place some population groups in a tragic situation." The economic problems of Poland can be solved only through genuine reforms and increased civic freedoms.

Solidarity Protest Noted

LD312225 Hamburg DPA in German
2146 GMT 31 Jan 88

[Excerpts] Warsaw (DPA)—Supporters of the banned Solidarity trade union demonstrated in Gdansk and Warsaw today against price rises, most of which come into force tomorrow. [passage omitted]

Also, more than 1,000 people demanded the rescinding of the new prices in chants and with slogans on some banners after a service in the Stanislaw-Kostka Church. On one banner, which was signed by the Warsaw Steel Works, Solidarity was "ready to strike on 1 February." The police stopped the procession near the church. The demonstrators hurled snowballs at the police and shouted: "We want more bread and fewer police." The demonstration was broken up by the police.

Father Wieslaw Nieweglowski declared in his sermon during the mass that constant price rises bore witness to the government's "incapability" of managing the fate of the whole of the people.

Officials on Price Hikes

LD010928 Warsaw PAP in English
0002 GMT 1 Feb 88

[Text] Warsaw, Jan 31—The announcement of minister of finance and minister of labour and social policy, published in the evening radio and TV main news bulletins on Saturday, has encountered an understandable interest of people. Hundreds of telephone calls to the radio and television testify to this.

Questions from TV watchers were answered by Finance Minister Bazyli Samojlik, Vice-Minister Wincenty Lewandowski, Vice-Minister of Labour and Social Policy Janusz Pawlowski, Minister of Industry Jerzy Bilip and others.

Minister Samojlik said: The principle of maintaining the real value of incomes is fundamental. Whatever pricing policy we make during this five-year period, we shall follow the basic guideline of upkeeping the level of real wages. It will not be lowered. This is because we earmark only such a part of the national income for development as does not cause a decline in real wages.

Prices are an integral part of the implementational programme of the economic reform's second stage. As long as they are not fixed, one can hardly speak of self-financing in enterprises. It is also necessary to ensure the profitability of farm production.

For family households it is important to create such a system of prices as would encourage their members to save up, especially save energy carriers, Samojlik said.

Can the finance ministry control the movement of conventional prices and limit its growth.

Samojlik replied: Half of the goods on market are sold by official prices when we count the value of the sales. Thus, every second zloty is spent by the consumer for goods sold by conventional prices. To some extent we shall also set ceilings to the conventional prices, that is, we shall prohibit their rises above a certain level.

Minister Pawlowski added that the principle of real incomes also means real allowances. The budget-financed sphere has extra possibilities to increase salaries too.

Asked how much will it cost to maintain an average Polish family after the hikes, Wincenty Lewandowski said: Both the increased incomes and expenditures of individual families will be differentiated. We have followed the principle that the growth in the costs of living, caused by higher prices, be generally cushioned by higher incomes obtained by the individual families for their work or from social benefits. This cushioning does not apply to alcohol and tobacco. We can say that: If a family could buy the specified "basket" of goods and services before February 1st, it should be able to buy an identical "basket" after that day.

Vice-Minister of Agriculture Wieslaw Mlynarczyk said that farmers' expenditures for buying production means are lower than monetary incomes generated from the production of goods. The now-introduced higher procurement prices will increase farmers' incomes by 528 billion zlotys, while, for instance, investment spendings have so far consumed nearly 170 billion zlotys. Even if we consider the scale of price hikes on production means, there is a chance to cover this growth in spending with the income growth secured by higher procurement prices on farm products.

PAP Comments on Outlook

LD311822 Warsaw PAP in English
1640 GMT 31 Jan 88

["January From Polish Perspective"—PAP headline; by Zbigniew Boniecki]

[Text] Warsaw, Jan 31—The operation of rises in prices and wages as an important element of the economic reform, the state budget, the economy in 1987, opinions by the socio-economic council, visits to Poland by ministers Genscher and Velayati, by U.S. Senator Wirth and Deputy Secretary of State John Whitehead and a visit of Mieczyslaw Rakowski to the Soviet Union were among the leading topics this January.

The price rises introduced in Poland as of February 1 covered a number of foodstuffs, some services, and fuels as well as electric energy effective at a later date. This all-embracing operation changing the structure of prices aims to limit state subsidies and to add to market equilibrium. These directions are in tune with the programme of the economic reform and recommendations of the World Bank experts.

These rises take into account the results of the nationwide referendum and Sejm decisions which scaled down the increase in prices of basic foodstuffs from 110 to 40 per dent. The rise in the general level of retail prices of goods and services will amount to about 36 per cent this year. At the same time, wages will rise by about 40 per cent and old-age pensions and disability benefits by about 50 per cent as a result of negotiations with trade unions.

After significant amendments, the Sejm adopted the draft budget bill (recommending the government to reduce the deficit by 100 billion zlotys). The parliament voiced its concern over the aggravating disequilibrium despite the fact that the planned growth of industrial and agricultural production and the national income has been achieved in recent years.

As to the state budget, it was decided that the share of annual expenditures of the Ministry of National Defence in the national income distributed will be maintained at a stabilized level, unlike in other sectors of social consumption where spending has largely grown in general. The Sejm recorded that thanks to rationalizing and economizing measures, the defence spending in 1988 is by 30 billion zlotys, or by 5.4 per cent, lower than it could ensue from the assumptions of the five-year plan. Thus, its share in the national income dropped to less than 4 per cent making it lower than the outlays on health care and education.

The Chief Statistical Office reported that 1987 turned out to be very differentiated in economy. The national income produced (in fixed prices) grew by 2 per cent. This growth rate was lower than both the planned one (3-3.5 per cent) and that reached in 1986.

But this year brought favourable results in foreign trade. In trade with socialist countries, it proved possible to reduce the deficit from 501 million roubles in 1986 to 6 million roubles in 1987. However, Poland's debt in currencies of socialist countries rose from 6.5 billion roubles in 1986 to 6.6 billion roubles at the end of November 1987.

Exports (particularly of the electro-engineering, light and food-processing industries) to dollar zone countries clearly increased. The trade surplus amounted to 1,240 million dollars and was higher than in 1986. But the debt in hard currency rose from 33.5 billion dollars in 1986 to 37.6 billion dollars in November 1987. As much as 2.9 billion dollars of this rise in debt was caused by the depreciation of the dollar against other hard currencies which account for about 60 per cent of Poland's debt.

Presenting its opinion on the changed programme of implementation of the second stage of the economic reform to the Sejm, the Socio-Economic Council reiterated its view that a swift qualitative breakthrough in the organization of the Polish economy is a condition for saving this country from civilizational degradation. Among factors favouring this breakthrough, the council pointed to the constitutional confirmation of the durability of the three-sector character of the economy and the immediate cancellation of the regulations hampering economic development.

Economic Meeting With U.S. Announced

LD291808 Warsaw PAP in English
1730 GMT 29 Jan 88

[Text] Warsaw, Jan. 29—After seven years of recess, a session of the Polish-American intergovernmental economic commission will be held in Washington between February 10 and 11. The Polish delegation will be headed by Minister for Foreign Economic Relations Wladyslaw Gwiazda, while the American group will convene under Secretary of Commerce William Verity.

During the session, economic events since the last session and prospects for enhancing economic cooperation will be discussed. After the rapid decline of the early eighties, trade turnover between the two countries is slowly growing. Last year Poland sold some 330 million dollars' worth of products to American partners, which is one third of the respective 1980 figure. Although at a slower rate, Polish imports from the U.S. are also growing and amounted to 130 million dollars last year. These statistics show how much must be made up for. Also during the session, the status of trade and trade cooperation as well as prosepcts for their development will be discussed among other issues. Information on current trade regulations in both countries will be exchanged, with the inclusion of those dealing with technology transfers and goods contingents in the turnover. Facilitations in commerce, shipping and fisheries, as well as in agricultural cooperation will be considered. The Polish delegation will present their proposals as to foundation of joint ventures and as to the list of investment projects, including those serving exports growth, to be jointly completed. Credit and other issues have been left out from the specification.

The fact that the session is going to be held can be viewed as another step on the path towards reconstruction of normal economic relations between Poland and the U.S. It is worthwhile to mention, though, that the economic attitude of the American partner are to a considerable extent dependant upon U.S. political stand towards Poland. Expectations as to the return to previous economic positions should be placed with further changes to this effect.

U.S. Deputy Secretary of State Arrives

LD312216 Warsaw PAP in English
1622 GMT 31 Jan 88

[Text] Warsaw, Jan 31—U.S. Deputy Secretary of State John C. Whitehead, now on a visit to Poland, arrived in Warsaw on Sunday afternooon after two days in Krakow.

Romanian Police Blamed for Clergyman's Death

AU291515 Vienna DIE PRESSE in German 29 Jan 88 p 2

[Text]—A deadly traffic accident has put activists of the Hungarian minority in Transylvania into action. The Securitate secret service is being blamed for the death of the Catholic priest Laszlo Baricz from the St Michael's Church in the Transylvanian city of Cluj-Napoca.

Swedish King's Birthday Message to Ceausescu

AU011158 Bucharest SCINTEIA in Romanian 28 January 88 p 5

["Congratulatory Message From Abroad Addressed to President Nicolae Ceausescu," by King Carl XVI Gustav of Sweden on President Nicolae Ceausescu's 70th birthday]

[Text] To Mr Nicolae Ceausescu, President of the SR of Romania: Please accept my sincere congratulations and best wishes on your 70th birthday anniversary.

Carl XVI Gustav, King of Sweden.

Further on Totu's Official Visit to Israel

Meets Herzog, Shamir

AU292058 Bucharest Domestic Service in Romanian 2000 GMT 29 Jan 88

[Text] A cordial exchanges of messages and wishes for health took place between Nicolae Ceausescu, president of the SR of Romania, and Hayim Herzog, president of the State of Israel and Prime Minister Yitzhaq Shamir. The exchange of messages took place during separate receptions by the Israeli head of state and prime minister for Comrade Ioan Totu, Romanian minister of foreign affairs, who is paying an official visit to Israel.

During the meetings, the sides discussed issues concerning relations between Romania and Israel.

Increasing Trade Discussed

AU301910 Bucharest AGERPRES in English 1824 GMT 30 Jan 88

["Israeli Visit by Romanian Foreign Minister"—AGERPRES headline]

[Text] Tel Aviv, AGERPRES, 30-01-1988—At the invitation of the deputy prime minister and foreign minister of the State of Israel, Shim'on Peres, Romanian Foreign Minister Ioan Totu paid an official visit to Israel.

The Romanian minister was received by the present of the state of Israel, Hayim Herzog, the prime minister Yitzhaq Shamir and had talks with the deputy prime minister and foreign minister, the minister of trade and industry, with other officials.

During the talks, the current stage of the relationships between the two countries were examined as well as ways to increase trade exchanges and develop economic cooperation. Views were also exchanged on major international issues.

Comparison of Ceausescu Speech at Meeting

AU281611 Bucharest SCINTEIA in Romanian on 26 January carries on pages 1, 2, and 3 the 5,500-word "Speech by Comrade Nicolae Ceausescu at the Homage-Paying Solemn Meeting Devoted to Comrade Nicolae Ceausescu's 70th Birthday and More Than 55 Years of Revolutionary Activity," on 25 January in Bucharest. The SCINTEIA report has been compared with the Bucharest Domestic Service Romanian version published in the 26 January East Europe DAILY REPORT, pp 28-33, revealing differences in details of chants in applause notations in the press version and the following variations:

page 29, column one, paragraph one, only sentence reads in SCINTEIA: ...cause of socialism and peace and as a...(supplying additional word "peace" per SCINTEIA version)

page 29, column one, paragraph five, end of first sentence, reads in SCINTEIA: ...time to several decades ago. Therefore, l...(replacing "centuries" with "decades" per SCINTEIA version)

page 29, column two, second paragraph, penultimate sentence, reads in SCINTEIA: ...against the workers and democratic forces and...(supplying additional word "and" per SCINTEIA version)

page 30, column one, paragraph three, end of penultimate sentence, reads in SCINTEIA: ...emphasize the fact that, in the spring of 1939, with the occupation of Czechoslovakia, a general mobilization was declared in Romania. Then followed the great Mayday Demonstration of 1 May 1939, which was the first mass action of such a large scope in Europe, after the occupation of Czechoslovakia, in which the Romanian people resolutely raised themselves against fascism, war, and for the defense of Romania's independence and integrity. (loud and prolonged applause) [new paragraph]

The lack of complete unity among workers and democratic forces in our country, as well as the evolution of world events and the compromises and gradual capitulation before Hitlerite Germany pushed the whole of mankind, including Romania, toward war and catastrophe. [new paragraph]

The establishment of... (deleting editorial notations and replacing sentence with SCINTEIA version)

page 30, column two, first paragraph, end of sentence two, reads in SCINTEIA: ...being occupied by horthyist Hungary. Romania was...(replacing "fascist" with "horthyist" per SCINTEIA version)

page 31, column one, continued paragraph from previous page, end of last sentence, reads in SCINTEIA: ...of harsh struggle and work, but we emerged... (supplying additional word "work" per SCINTEIA version)

page 31, column one, paragraph two, sentence two, reads in SCINTEIA: ...need to renounce dogmas and set patterns... (supplying additional word "dogmas" per SCINTEIA version)

page 31, column two, paragraph three, beginning of first sentence, reads in SCINTEIA: ... In the early years of socialist... (supplying additional word "early" per SCINTEIA version)

same paragraph, same sentence through the middle of last sentence, reads in SCINTEIA: ...people's ability to eliminate backwardness in a short time. Unfortunately, there were even some people among our ranks who were somewhat distrustful about our people's creative capacity. Life proved them all wrong and showed that this nation—who for two and one-half... (dropping sentence two and rewording per SCINTEIA version)

page 32, column one, paragraph continued from last page, end of last sentence, reads in SCINTEIA: ...certain shortcomings and mistakes, something which ensures... (replacing "injustices" with "mistakes" per SCINTEIA version)

page 32, column one, paragraph two, sentence two, reads in SCINTEIA: ...as well as a rich life for the... (per SCINTEIA version)

page 32, column two, paragraph four, sentence one, reads in SCINTEIA: ...for next year are gloomy; the... (deleting editorial notation and confirming "next year" per SCINTEIA version)

page 33, column one, first complete paragraph, from end of last sentence to beginning of first sentence, next paragraph, reads in SCINTEIA: ... communism. [applause] [new paragraph]

likewise, from this high rostrum I extend to... (rewording per SCINTEIA version)

page 33, column one, paragraph three, sentence one, reads in SCINTEIA: ... that these have not been easy years, but rather hard years or work and struggle... (rewording per SCINTEIA version)

same paragraph, end of penultimate sentence, reads in SCINTEIA: ...nation. For a revolutionary there is not... (replacing "revolution" with "revolutionary" per SCINTEIA version)

RCP Session Message to Ceausescu on Birthday

AU301553 Bucharest SCINTEIA in Romanian 25 Jan 88 pp 1 and 5

["Telegram Addressed to Comrade Nicolae Ceausescu, RCP Secretary General and President of the SR of Romania, by Participants in the Solemn National Session Organized by the RCP Central Committee" on President Nicolae Ceausescu's 70th birthday, in Bucharest on 24 January]

[Text] Much esteemed and beloved Comrade Nicolae Ceausescu: The participants in the solemn national session devoted to your 70th birthday and more than 55 years of heroic and continuous patriotic and revolutionary activity, are paying you a high homage. Now, when the entire Party and nation are celebrating their leader in a spirit of close unity, we address to you, from the bottom of their hearts, warmest wishes for long and happy life and for health and boundless creative energy, so as to lead the Romanian people to new and ever more important victories along the road of fulfilling their socialist ideals and asserting the freedom, independence, and dignity of our beloved fatherland.

As a token of homage for your activity, the scientific papers presented at the national homage-paying session were devoted to you, prominent personality of the contemporary world, hero among the nation's heroes, eminent revolutionary militant, ardent patriot, and brilliant strategist of the fatherland's march forward along the victorious road of socialism and communism and its progress toward ever higher peaks of progress and civilization. These papers emphasized your past and present decisive role and contribution to formulating and implementing the entire party-state domestic and foreign policy, to forging modern Socialist Romania, to constantly enriching the scientific heritage of socialism and communism, and to developing the revolutionary theory and practice. In this solemn framework, the participants highlighted the value of your immense theoretical work that covers vast fields of human knowledge—a work which is brilliantly synthesized in a substantial and prestigious political and socioeconomic oeuvre, that has found an everlasting place in the golden foundation of the Romanian and universal intellectual life.

The papers presented during the session strongly pointed out the fact that your name, beloved Comrade Nicolae Ceausescu—enlightened son of the Romanian nation, who, for more than 55 years, have identified your life and activity with the Romanian people's loftiest strivings and aspirations—shines conspicuously among the most prominent personalities that have raised from the ranks of our people and led the nation to victory in the battles waged century by century and generation by generation for the assertion of the national being and for the unity, independence, and progress of the fatherland.

The solemn session highlighted the heroism and daring with which you joined, from your earliest youth, the great patriotic and revolutionary battles waged by our party for social and national freedom and justice, for the defense of Romania's statal unity and integrity, against fascism and war, and for the victory of the revolution of social and national liberation. The session also recalled the years after the country's liberation, when you fulfilled high tasks in the Romanian party-state leadership and proved high political, organizational, and moral qualities in all these duties; on the basis of these qualities, characteristic of an outstanding leader, the Ninth Party Congress unanimously appointed you to the supreme position of RCP secretary general and the Grand National Assembly elected you the first president of the SR of Romania, thereby voicing the will of our whole nation.

The session proceedings clearly emphasized your decisive and vital contribution to formulating the concept of comprehensively developed socialist society and to substantiating the party policy of harmonious and steady national economic growth, on the basis of intensively developing industry, implementing the new agrarian revolution, and strongly asserting the role of science and education, which are key elements of our comprehensive progress and of an ever high level of well-being and civilization for all the people. The participants unanimously valued your scientific and innovative concept as well as your practical activity to further increase the leading role of the Party—as the vital center of the entire nation—in pooling the creative forces of the people and running the entire historic work of building socialism and communism in Romania. The session also pointed out your essential contribution to increasing the role of the socialist state in improving its functions, in uniformly organizing and carrying out all the activity, and in forging a broad democratic framework of the people's active participation in running all socioeconomic spheres and the entire society. The participants unanimously praised your decisive role in substantiating ways and means for fashioning the new man and raising the socialist awareness of communists and all working people and strongly emphasized that everything achieved by the Romanian nation in the period since the Ninth Party Congress and everything it plans to achieve in the future—on the basis of bold development plans and programs—is indissolubly linked with your decisive role and activity, much beloved and esteemed Comrade Nicolae Ceausescu, dignified continuer of our great forefathers.

Much beloved and esteemed Comrade Nicolae Ceausescu, your close links with the people and the realities of the country, as well as the profound innovating spirit you have instilled in the entire work of building the new system, have made it so that your name should identify itself with the most generous epoch of achievements in the millenia-old history of the Romanian people, an epoch which has gone down forever in the fatherland's golden chronicle as the "Nicolae Ceausescu Era."

Thanks to your strong personality, your outstanding ability to unravel the deep meaning of social realities and their future course, your profoundly creative spirit and ceaseless struggle against inertia and dogmas, and your direct and open dialogue with the masses and the whole nation, you have laid down a magnificent and all-encompassing program of socialist construction at the material and intellectual level and have pulled the efforts of all the people in the great work of building the new society in Romania, by substantiating the thesis of building socialism "with the people and for the people." As a matter of fact, our session's goal was to highlight this vast, revolutionary, and profoundly scientific and original work aimed at unleashing the people's creative energy.

The solemn session proceedings also emphasized the outstanding contribution made by Comrade Elena Ceausescu, front-ranking militant of our Party and state and scientist of wide international renown, to developing and implementing the plans and programs for the fatherland's socioeconomic development, to ensuring the unprecedented flourishing of our science, education, and culture, and to promoting the progress and civilization of Socialist Romania.

Comrade secretary general, our session highly valued your wide international activity to strengthen friendship and cooperation with the socialist countries and with all states, regardless of social system. It also valued your proposals and actions of broad international response aimed at halting the arms race, proceeding to disarmament, defending the peace and life of nations, and peacefully solving the great and complex problems of the contemporary world. All this has brought great international prestige to our country and imposed you in the awareness of nations as a great and brilliant hero of peace.

Being led by a strong party and a great and clear-sighted leader and being animated by ardent revolutionary patriotism, the Romanian people—who have forged a daily program of creative deeds and actions on the basis of your bold ideas and guidelines, which make the substance of your brilliant social and political oeuvre—are determined to work unswervingly, closely united around the Party and yourself, much beloved and esteemed Comrade secretary general, with patriotic self-denial and devotion, to give a new upsurge to the comprehensive development of the socialist fatherland, to implement the domestic and foreign policy of our party and state, and to firmly fulfill the decisions of the 13th Congress and the National Conference of the Party.

On this anniversary occasion, we assure you, much esteemed and beloved Comrade Nicolae Ceausescu, that we are all determined to do our best and act in a spirit of revolutionary responsibility to implement in an exemplary way the party program on building the comprehensive developed socialist society and ensuring Romania's

progress toward communism and to achieve the targets and orientations established by you for the country's progress and development and for the whole nation's well-being and happiness.

On your birthday, we recall with profound respect and gratitude your past and present long-standing activity devoted to the Romanian people's supreme interests. All of us voice the firm determination to unflinchingly follow your inspiring words and daring deeds and to work with devotion and self-denial for the fatherland's socialist and communist future and for Romania's independence and sovereignty.

On this uplifting occasion, we wholeheartedly extend to you, much esteemed and beloved Comrade Nicolae Ceausescu, the wish uttered today in a strong unity of thought and feeling by all our people, namely "Many Happy Returns of the Day!"

Leaders' Public Appearances 23-30 Jan

AU311858 [Editorial Report] Romanian media 23-30 January 1988 report the following public appearances of Romanian leaders (sourcelines given in parantheses):

On 23 January, President Nicolae Ceausescu and wife, Elena Ceausescu, paid a visit to Ceausescu's native commune Scornicesti. (Bucharest AGERPRES in English 1806 GMT 23 Jan)

On 25 January President Nicolae Ceausescu and wife, Elena Ceausescu attended a solemn meeting devoted to Ceausescu's 70th birthday and "the 55th anniversary of his revolutionary activity," a meeting that was held in Bucharest Palace of the Republic. On this occasion Nicolae Ceausescu made a speech. (Bucharest AGERPRES in English 0910 GMT 25 Jan); (Bucharest Domestic Service in Romanian 0942 GMT 25 Jan). After the conclusion of the "solemn homage-paying meeting," President Ceausescu addressed "crowds gathered in the Republic Square." (Bucharest SCINTEIA in Romanian 26 Jan page 5). On the same day, Nicolae Ceausescu met with members of diplomatic corps (Bucharest AGERPRES in English 2010 GMT 25 Jan) and with Y.M. Tyazhelnikov, ambassador of the Soviet Union in Bucharest. (Bucharest AGERPRES in English 1748 GMT 25 Jan).

On 26 January, President Nicolae Ceausescu and wife, Elena Ceausescu attended a reception given in honor of President Ceausescu by the RCP Central Committee, the State Council, and the Romanian Government. During the reception, President Nicolae Ceausescu, Prime Minister Constantin Dascalescu, and Emil Bobu, member of the PEC and secretary of the RCP Central Committee took the floor. (Bucharest AGERPRES in English 1728 GMT 26 Jan). On the same day President Ceausescu and wife, Elena Ceausescu, attended the opening festivity of a "homage-paying exhibition" arranged on his birthday. (Bucharest AGERPRES in English 1413 GMT 16 Jan)

On 25 January, Romanian Prime Minister Constantin Dascalescu read a message addressed to President Nicolae Ceausescu from the RCP, the State Council, the Government, and the Socialist Democracy and Unity Front, during the "solemn session." (Bucharest Domestic Service in Romanian 0834 GMT 25 Jan)

On 25 January, Manea Manescu, member of the PEC of the RCP Central Committee and deputy chairman of the State Council read a "Decree-Decision" on awarding President Ceausescu distinctions on the occasion. (Bucharest SCINTEIA in Romanian 26 Jan page 5)

On 23 January, Ion Stoian, candidate member of the PEC of the RCP Central Committee met in Madrid with Felipe Gonzales, secretary general of the Spanish Socialist Workers' Party and with Jose Ramon Caso Garcia, secretary general of the Democratic and Social Center of Spain. (Bucharest AGERPRES in English 1449 GMT 23 Jan)

On 29 January, Romanian Foreign Minister Ioan Totu held separate meetings with Hayim Hezog, president of the State of Israel and Israeli Prime Minister Yitzhaq Shamir, in Tel Aviv. (Bucharest Domestic Service in Romanian in English 2000 GMT 29 Jan)

Historian Reports New Waldheim Documents

LD311440 Stockholm Domestic Service in Swedish 1130 GMT 31 Jan 87

[Text] Yesterday the "Echo" program was able to report on the new documents that have come to light about the alleged war crimes of Austrian President Kurt Waldheim in Yugoslavia during World War II. Now Yugoslav military historian Dusan Plenca has come forward, saying that he has more documents proving Waldheim's guilt. Kurt Waldheim knew of the deportation of civilians to concentration camps, Dusan Plenca told "Echo" and Vladislav Savic.

[Begin recording] [Plenca in Serbo-Croatian, fading into Swedish translation] Absolutely. Kurt Waldheim quite certainly knew of the deportations. The documents I have show that Kurt Waldheim had some sort of task which involved collaborating with the Croatian Ustasha regime during the war, a regime that during those years was a puppet government in Croatia under Hitler's Germany.

[Savic] Yesterday "Echo" reported on a new document to be published tomorrow by the West German DER SPIEGEL: a telegram, found by Dusan Plenca, dated July 1942, in which Kurt Waldheim ordered the dispatch of more than 4,000 Yugoslav women, children, and old people to two separate prison camps. Today Dusan Plenca says he has found quite new documents confirming the details in the telegram that will be published by DER SPIEGEL tomorrow.

[Plenca] The day before yesterday I found the new document, mentioning the same deportation. In the new document, which is a message from Kurt Waldheim to the staff in the Kozara area, it confirms that the 4,000 women, children, and elderly people were on the way to the camps.

[Savic] The Yugoslav military historian has not yet presented these new documents to the commission of six historians who are now in Vienna completing their work, trying to establish whether Kurt Waldheim committed any war crimes. The commission has tried to persuade Dusan Plenca to come and testify, something the Yugoslav historian has declined to do.

[Plenca] Why? Why should I come and testify and hand over my documents? I am not a member of the commission. I don't know what their work is based on, or for whom they are working. The only thing I know is that they were formed at the behest of the Austrian Government. I think it is noteworthy that I was not asked to take part in the commission. It is in Yugoslavia that all these documents are found. The commission has not even taken the trouble to come here and dig around in the material. One of the members of the commission was here for 2 days, but that is hardly long enough, because this work takes months.

[Savic] Instead, his material will be published in a book which will appear in Yugoslavia on 20 February. Dusan Plenca will also be researching Kurt Waldheim's war crimes in Yugoslavia during autumn 1943 and May 1945—a job that will take 3-4 months. Dusan Plenca has already found a number of previously unpublished documents from these periods, documents to be made public some time in the spring. [end recording]

Balkan Ministerial Conference Previewed

LD311502 Belgrade TANJUG in English 1405 GMT 31 Jan 88

[By Djordje Milosevic]

[Text] Belgrade, Jan 31 (TANJUG)—Frequent bilateral consultations and statements of officials indicate that the meeting of the Balkan countries' foreign ministers set for February 24-26 in Belgrade is seen in the region as a highly important event which could be conducive to the development of multilateral cooperation.

Consultations between Yugoslavia, the initiator and host of the meeting, and the other Balkan countries—Greece, Albania, Bulgaria, Turkey and Romania—have shown that possibilities exist for the advancement of cooperation in the fields of trade, industrial cooperation and specialization, energy, transportation, agriculture, tourism, ecology, science and technology, culture and sports.

The Balkan countries accounted for only four percent of Yugoslavia's total trade with the world in the past five years. Similar proportions in economic cooperation apply to the other Balkan countries which, as a rule, turn to partners in other regions. Such practice differs from both the current integration process in Europe and the Balkan countries' possibilities, interests and needs.

Recently, initiatives have been launched for intensifying cooperation among the Balkan countries, such as the just ended meeting in Timisoara, Romania, to discuss a Romania-Bulgarian hydro-technical complex on the Danube.

Yugoslavia expects the conference to produce new ideas and suggestions on concrete agreements which will lend an impetus to overcoming the present state and advancing multilateral cooperation. From a wider international aspect, this impetus would be all the more important as it would originate from a region with countries with different social systems and international orientations.

Conditions in the Balkans are now more favourable than in the not-so-remote past but they have not yet reached a level allowing a calm look at the future. The permanently present interests of factors outside the Balkans and tragic experiences from the past impose an obligation on the Balkan countries to foster good-neighbourly relations and to strengthen mutual confidence.

Chad Reportedly To Release 'Innocent' Worker

LD301915 Belgrade TANJUG in English 1801 GMT 30 Jan 88

[Text] Ndjamena, January 30 (TANJUG)—Chadian President Hissein Habre has decided that Rade Zelenovic, kept fully innocent in a Ndjamena jail for nearly five months now, be set free on February 1.

Danilo Milic, a Yugoslav envoy and plenipotentiary minister of Yugoslavia's Federal Secretariat for Foreign Affairs, was notified about this here today by Nadj Moussami, the Chadian president's secretary-general.

Zelenovic, 58, was abducted on the territory of Libya on last September 5. There, he worked as an electrical mechanician for a West German firm. Together with him abducted was his chief, Gernout Wauer, a West German.

The Chadian authorities released Wauer after 47 days and, thus, dropped off the suspicion mentioned at first that Zelenovic and his chief must have worked together with Libya's intelligence service. Despite this, Zelenovic, a hard angina pectoris case, remained in prison.

The innocent Yugoslav citizen was set free only after several Yugoslav appeals, five official notes, two talks had by the Yugoslav ambassador to Lagos with competent Chadian authorities and engagement by several countries and the U.N.

Further on Mikulic's Official Visit to Italy

Meets Natta, Craxi

LD292232 Belgrade TANJUG Domestic Service in Serbo-Croatian 1953 GMT 29 Jan 88

[Text] Rome, 29 January (TANJUG)—FEC President Branko Mikulic had a meeting in Rome today with Italian Communist Party General Secretary Alessandro Natta and Italian Socialist Party Secretary Bettino Craxi. These meetings took place at Italy's request during the Yugoslav Government delegation's official visit to Italy.

During the talks, both sides evaluated that relations between Italy and Yugoslavia are excellent. Branko Mikulic said his visit to Italy was very successful and stressed the understanding he had met with in Italy by the representatives of all political parties.

Talks With Andreotti

LD292241 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 29 Jan 88

[Excerpt] [Passage omitted] Talks on main international issues were held today by the foreign ministers of Italy and Yugoslavia, Giulio Andreotti and Budimir Loncar. They discussed the Mediterranean, the Middle East, nonalignment, and the Balkan conference, which Italy is greatly interested in. [passage omitted]

Received by John Paul II

LD301523 Belgrade TANJUG Domestic Service in Serbo-Croatian 1413 GMT 30 Jan 88

[Text] Rome, 30 Jan (TANJUG)—The head of the Roman Catholic Church, Pope John Paul II, received in the Vatican today Branko Mikulic, president of the FEC, who is paying a 3-day visit to Italy at the invitation of the Italian Government. The main international questions were covered during a private meeting, which lasted half an hour. Both sides concluded that relations between the Vatican and Yugoslavia are good and that this has a positive impact on the Catholic Church in Yugoslavia as well.

President Mikulic extended greetings from the SFRY Presidency to the pope. Both sides voiced hope that the pope's visit to Yugoslavia will take place as soon as conditions allow. An invitation to the pope to visit Yugoslavia has been open for several years. In a cordial conversation, the pope and Mikulic also examined the implementation of the protocol signed in 1966 between the Vatican and Yugoslavia, establishing diplomatic relations between the two states.

The conversation with the pope also touched on a number of key international topics. Both sides assessed as positive the signing of the disarmament agreement in Washington, emphasized a need for the struggle against terrorism, and pointed out the importance of nonaligned countries in international detente. The meeting with the pope lasted longer than is customary, the only other persons present were interpreters.

President Mikulic's talks in the Vatican also included a meeting with State Secretary Cardinal Agostino Casaroli and Monsignor Achille Silvestrini, secretary of the church Council for Public Affairs. The two sides stressed the importance of tolerance between the church and the state and a need for nurturing an open dialogue in order to avoid disagreements. Cardinal Casaroli expressed expectations that the constitutional changes being currently discussed in Yugoslavia will contribute to the improvement of the church's position. President Mikulic pointed out that intolerance and sectarian attitudes exist on both sides and this is what most harms the position of the church.

Cardinal Casaroli recalled with pleasure his memories of President Tito's visit to the Vatican and his request that the Holy See should become more involved in international relations and join the Nonaligned Movement. This was a great event which has remained imprinted in the Vatican's foreign policy, Casaroli said.

The visit to Vatican ends the 3-day visit to Rome by the Yugoslav Government delegation.

Returns From Italy

LD301606 Belgrade TANJUG Domestic Service in Serbo-Croatian 1518 GMT 30 Jan 88

[Text] Belgrade, 30 Jan (TANJUG)—FEC President Branko Mikulic returned from Rome today after a successful official visit to Italy and talks with the most senior Italian personalities.

As is known, during this visit a memorandum on economic cooperation between Yugoslavia and Italy for the next 3 years was signed, whereby our country under various but also favourable conditions will obtain $425 million in loans and financial assistance. The broad scope for expanding cooperation between the two neighboring countries was noted, which have been engaged to date in diverse and successful cooperation.

Austria's Mock Says Ties 'More Than Good'

LD292255 Belgrade TANJUG Domestic Service in Serbo-Croatian 1220 GMT 29 Jan 88

[Text] Zagreb, 29 January (TANJUG)—"My evaluation of the bilateral relations between Austria and Yugoslavia is that they are more than good; I think they are exceptional. This is of paramount importance because our two countries have shown how neighboring countries with different political systems can build and extend their cooperation. It is increasingly good, not just economically, but culturally as well, and I think we can serve as an example to many." This was stressed by Austrian Foreign Minister Alois Mock, in his exclusive interview with the Zagreb daily "VECERNJI LIST."

Assessing political and economic cooperation between the two neighboring countries, including prospects for economic cooperation in view of Yugoslavia's trade deficit, Dr Mock stressed:

"I would support every Austrian Government action that will promote trade growth with Yugoslavia. The expansion of the EC market is bound to be reflected in our bilateral economic relations as well, and this is why I think we should be resolving more efficiently the problems affecting our trade reciprocal commodity supplies. Nevertheless, I am an optimist about this."

Commenting on the current situation regarding the problem of Croat and Slovene minorities, Dr Mock stressed that "our exceptionally good relations have been confirmed time and time again, although we sometimes have problems and differing views on some issues."

"It is obviously easy to have good relations where there are no controversial questions. There has not been complete agreement on the question of the Slovene minority in Austria. The talks with your foreign minister were very proper despite his criticism about the tripartite agreement on school reform in Carinthia. However, I believe that among good friends criticism is permissible."

"The problem of the Slovenes in Carinthia is now being discussed in the federal parliament, which is competent to deal with it," said Dr Mock, expressing the hope "that a solution to this painful problem will soon be found." As for Croats in Austria, he stressed that the government will endorse the Constitutional Court's decisions on the official use of the Croat language.

Spokesman Praises EC Stand on Cooperation

LD281538 Belgrade TANJUG in English 1420 GMT 28 Jan 88

[Text] Belgrade, Jan 28 (TANJUG)—The resolution on economic relations between the European Community (EC) and Yugoslavia, recently adopted by the European Parliament, has been assessed by the Yugoslav side as an expression of the community's "political readiness not only to continue cooperation but to raise it to a higher level," Yugoslav Government spokesman Aleksander Stanic said here today.

Stanic told his regular weekly press conference that he was sure the EC member countries would favourably respond to the resolution and do "everything necessary to further develop cooperation in the interests of both sides."

Delegation Holds Talks With FRG Commission

AU281640 Belgrade BORBA in Serbo-Croatian 23-34 Jan 88 p 8

[Unattributed report: "Closer to the EEC"]

[Text] Bonn, 22 Jan—Yugoslavia's attitude toward processes of integration in Europe and the internal situation in Yugoslavia were the dominating topics at talks between delegations from the SFRY Assembly Foreign Policy Committee and the FRG parliament's Foreign Policy Commission in Bonn.

Mijat Sukovic, head of the Yugoslav delegation, said during a talk with journalists, that their West German counterparts had expressed an interest in the closer cooperation between the European Community and Yugoslavia while maintaining Yugoslavia's nonaligned, non-bloc position.

Sukovic said that the Yugoslav side also expressed a wish for links with the European Community whereby Yugoslavia would want the "formal status of member" in the economic sphere while insisting on its political nonalignment. This also concerns CEMA, said Sukovic.

Suvar Says LC 'May Fritter Away' Leading Role

AU311807 Belgrade BORBA in Serbo-Croatian 26 Jan 88 p 1

[Pero Stanivukovic report: "The Untenable Cadre Monopoly"]

[Text] Zagreb, 25 Jan—If the negative trends in society continue, it is possible that the LC—which still acts as a classical party in the one-party system, albeit within the

broad front of socialist forces—may fritter away its vanguard role by becoming more and more a prisoner of particularist, statist, and false national interests, instead of proving its value as it used to during the glorious times of our revolution.

This was what Stipe Suvar, member of the LCY Central Committee Presidium, said yesterday at the reserve officers' discussion forum held in the Zagreb Army Hall. It could happen, Suvar said, that the LC actually disintegrates into several parties following the logic of statist national encapsulations in Yugoslavia.

Congruous Criticism [subhead]

Cadre monopoly is now the most intensive monopoly of the LC and within it. And that has not only become untenable but is also the greatest obstacle to the development of socialist self-management. The LC is unified about the ruling idea and desire to find a way out of the crisis. However, there are significant differences and confrontations in the LC, just as in society at large, about theoretical and practical responsibility for present tasks and even about the social development strategy itself. Therefore, the following question is of crucial importance for finding the correct answer to all questions about ways and means of finding a way out of the crisis: Who should take upon himself the process of historical liberation of society's production forces?

Speaking about the broad opposition, Suvar said that the most aggressive forces of petit bourgeois destruction invoking freedom, democracy, nation, Europe, and civilization have taken over important positions in our country from which they want to impose their picture of the world. They especially want to prove to young generations that our road and development throughout the past was futile, mistaken, and even represented a repression of civilization, that the revolution was a failure, that the time since the people's liberation struggle has been painful, and, in any case, marked with horrible bureaucratism and party dictatorship, that it has been a time of persecution and repression, a time of the implementation of Comintern directives and agents' activity, and a time in which Yugoslavia has been badly led and thereby brought into the present situation and this chaos. It is most worrying that such ideas have penetrated even into the ranks of the LC and the organized socialist forces and are corroding them, and that the torrent of such criticism is responded to shyly with ossified phrases. Instead of opposing each other more strongly, our criticism and theirs become congruous more and more frequently so that the masses wonder about us.

Dr Suvar then went on to say that there are many people even in the LC ranks who persistently push the party into the "status quo," daily pragmatism, and opportunism, into a stalemate-like organization.

There is lumpen proletarian and elitist consciousness in the LC, there are many rascals in its ranks, and even many common petty careerists, as well as the wanton rich and members of our kind of "Vendee" [French province that harbored opposition to the French Revolution in the 18th century] movement. The LC bears the greatest responsibility for evident failures and the present crisis, Dr Suvar also said, because of delays in self management, bureaucratic deviations in original principles of self-management, and because of a very conspicuous phenomena of undemocratic behavior and usurpations under the guise of self-management. The LC failed to perform the task that has been set by its own program as the main task in the stage of socialist self-management.

Manifested Unity [subhead]

Stipe Suvar was much more specific in answering many questions asked by members of the Zagreb veterans' organizations and other participants in this discussion forum. The following question was among them: What is the truth in the "The Spiljaks-Gazi" affair? Why do former party and other officials such as Mika Spiljak, Jakov Blazevic, Dragoslav Markovic (in his memoirs), Mitja Ribicic, and the others instead of disentangling interrepublican and other misunderstandings, entangle them in an even worse fashion? Another question on the list was the language, that is, the opposition of the Croatian Writers Association in Zagreb to changes to the present formulation of the language in the Constitution of the SR of Croatia. There was also the unavoidable weekly DANAS. The key question still was where disunity in the LCY leadership lies.

Dr Stipe Suvar said that we actually do not need declarative and mechanical unity any longer. It should be replaced by unity in all the main directions of the country's development. It should be led by the LC and it should mobilize—as in the war—all progressive forces of the society. One needs a revolution within the revolution. There is no such strong unity "up there" nowadays. It has descended to republics and provinces. Everything, in fact, is in the hands of national elites and everyone is doing what he wants.

"I treat the 'Gazi case' as any other case. At one time, the LC Central Committee of Croatia examined and established Gazi's responsibility, but there was no mention of the Podravka Work Organization (his former organization) nor of the INA organization (the INA-Komerc organization, in fact). He was expelled from the LC."

When that was put on the agenda, I personally opposed the idea that an official statement by the Central Committee on this and other affairs be issued a year after the expulsion. In Suvar's opinion, Drago Dimitrovic, present secretary of the Central Committee of the LC of Croatia, said everything that should be said about this, which is that legal ways exist so that everything under

dispute may be discussed and clarified. If some documents were not known earlier but are now being presented, Suvar said, let both the documents and the shorthand notes on the session of the Central Committee of the LC of Croatia, which established Gazi's political responsibility, be presented to the public.

Speaking about the "privatization and nationalization" of public opinion, Dr Stipe Suvar took the weekly DANAS as the main example. He agreed that "more openness [javnost] is needed like more air," but all the public workers in all the media must get as much space as they deserve, both in Croatia and in Yugoslavia at large, equally, "without any discount."

In an overfilled hall, Suvar mentioned some articles by DANAS journalists and assessed that they are mostly intolerant and even tasteless, especially those directed against FEC President Branko Mikulic and against other communities. The Council of the Federation appears like a council of old men, an old people's home. The LCY, in its turn, was called a party lodge of "overfreemasons," the National Liberation Struggle veterans are suddenly linked to a supersonic airplane that will cost Yugoslavia $2 billion, in the estimation of DANAS. FEC President Branko Mikulic was called by that magazine "Gulliver in words and a Lilliputian in deeds." Acccording to its articles, Macedonia is falling into "barbarity," and so on. The country is divided into a developed north and an undeveloped south.

I regret that all this comes from Zagreb, Dr Stipe Suvar said in conclusion. He added that it reminds him of a time that he does not like to think about. In the assessment of Dr Stipe Suvar, the LC must get into action at once, for it did not do so after the 12th LCY Congress and again not after the 13th Congress. If one waits for the 14th LCY Congress, it could be too late for everybody.

Serbian LC Examines Socioeconomic Development

AU301505 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 29 Jan 88

[Text] The concluding document of the ninth session of the Central Committee of the LC of Serbia that is devoted to ideopolitical questions of socioeconomic development assesses that the LC and other subjective forces in the republic should work intensively on socioeconomic development and that activities should be carried out in a favorable political atmosphere with strong support for the Central Committee positions and that one should insist on responsibility and accomplishment of the tasks adopted.

The striving for a resolute reduction of administration at all levels has a significant place in the document. This reduction, as demanded by the eighth session of the Central Committee, has been accepted in all communities and is already being implemented in many. The Central Committee of the LC of Serbia assesses that very little has been done in preparing the next stage of a radical reduction and rationalization of the state administration, as well as the administration of self-managing interest communities. The document says that its has not been sufficiently comprehended in political activities that a 10% reduction in the number of those employed is only the first stage, and that the main activities that are to follow must involve a reexamination of the justification for the work of many institutions.

The Central Committee of the LC of Serbia assesses and the document of the ninth session says that the assignments to reduce social overhead should be specified and respected. It is necessary that the number of paid officials in the Assembly of the SR of Serbia, as well as its associated services and its other costs, should be essentially reduced.

Here are some further tasks that arise from the conclusions of the ninth session: It is necessary that the number of Executive Council members and other republican officials should be radically reduced, that work should be consolidated, that institutions that are not indispensable for the performance of the republic's functions should be abolished, that the functions of the Presidency of the republic should be essentially rationalized in conformity with the Constitution, and that the volume of supporting services should be adjusted accordingly.

It is also demanded that the number of paid officials should be reduced in all sociopolitical organizations, and that the justification for separate administrations in self-managing interest communities should be reexamined when their work can be performed within the state administration or the banks. It is necessary that the republic works out clear, rigorously rational criteria for the size of the services in the communes on the basis of a new territorial division, which implies the abolition of some communes. It is necessary to establish clear criteria for deciding which communes do not need paid officials in some sociopolitical organizations, and to reexamine the justification for regional chambers of economy.

A part of the document adopted refers to tasks in the social policy field. It is assessed that there have been no satisfactory results in this field. One does not pay sufficient attention to the material position of the families of those workers whose real personal incomes have been sharply reduced, and the social situation in this respect is also not clear. It is therefore necessary that the Communists and other subjective forces, in keeping with their duties, should work more on determining a more efficient social policy.

'Confrontation' in Kavadarci Examined

LD311414 Belgrade TANJUG Domestic Service in Serbo-Croatian 0937 GMT 31 Jan 88

[Text] Kavardarci, 31 Jan (TANJUG)—The latest confrontation and disunity in the municipal leadership in Kavadarci could have serious consequences for the

already disturbed balance in the municipality's socioeconomic and self-managing development. This, all the more so, because the situation in the economy is bad and because it is precisely at this juncture that unity, the cooperation of all structures, and the maximum involvement of material and cadre potential in the commune is more than necessary.

The point is that, after the fictitious promissory notes and bankruptcy of the Treska-Straso Pindzur timber industry, which directly threatened the existence of almost 2,300 workers, another "affair" recently came to light. This is about information from Vitomir Georgiev, president of the LC Municipal Committee, which was sent to some republican leaders and about the conclusions of the Kavardaci Municipal Assembly Executive Council in connection with this information.

These documents, if they can be called such, are still "strictly confidential." However, it has nevertheless been leaked to the public that on 19 October last year, that is, in timely fashion and before they were discovered, Georgiev warned the competent authorities in the republic about the illegal business dealings of Elektrika, Tikves-Komerc and Metalija, and about promissory notes, usurpation, pressures, and other anomalies, as well as the overall situation in the municipality. In the process, he accused some municipal leaders, above all Aleksandar Dimovski, president of the Executive Council. However, he did all this without the prior consent and knowledge of the LC Municipal Committee.

There followed a closed session of the Executive Council, the conclusions of which have still not been published. They contain, however, counterarguments and a defense against the alleged insinuations and accusations "without precedent."

Without going into who is in the right, or to put it more precisely, who made errors where and to what extent, the question is raised as to whether this "strictly confidential" and surreptitious dialogue was necessary at all. There has been no open dialogue and public discussion about all the failures up until now and about the possible directions of the development of the Kavadarci municipality. After all, if the mistakes are individual, the problems are collective.

Ethnic Albanians Complain in SFRY Assembly

AU292030 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 29 Jan 88

[Text] A group of 20 ethnic Albanians from the Hisenaj settlement of the village of Ade, near Pristina, arrived unannounced in the SFRY Assembly this morning. They complained about their hardships that were caused by the expansion of a Kosovo Electricity Generation Industry coal mine. Novak Rodic, member of the Assembly Commission for Petitions, received them, and was told that they have been deprived of their agricultural land, drinking water, and road, and a large number of houses have been undermined so that they are no longer safe.

As a reason for their coming to Belgrade, they cited the fact that they have failed to resolve their troubles with the Kosovo Electricity Generation Industry and provincial organs in 3 years, although they have long been receiving promises that everything will be taken care of.

Allegations Refuted

LD302325 Belgrade TANJUG Domestic Service in Serbo-Croatian 1615 GMT 30 Jan 88

[Text] Pristina, 30 Jan (TANJUG)—In connection with yesterday's departure by a group of residents from the village of Ade near Obilic to the SFRY Assembly, the Kosovo Electric Power Industry issued a statement today that largely refutes their allegations.

It states that the Kosovo Electric Power Industry has done everything within the law to resolve the disputed questions. It claims that the inhabitants of the rural settlement of Hisenaj were even offered more than envisaged in an agreement in terms of compensation for the expropriation of houses and plots of land. They were offered 13 3- and 2-room apartments in Kosovo Polje but, it is alleged, they refused this. Nor did they accept offers of plots of land on the Pristina housing estates of Orlovic and Vinogradi. The adoption of a decision on the employment of 31 workers from this village is also under way and grants have been given to all interested students from this area. It is also alleged that the rural settlement of Hisenaj, where most of those who complained at the Yugoslav Assembly live, is supplied with water each day and on a regular basis, and that the inhabitants rejected an offer by the Electric Power Industry to build them a temporary road. It adds that the relocation of the cemetery was carried out after agreement and in conformity with regulations.

The statement recalls that, because of pressure by the inhabitants of this rural settlement, work stopped at the Dobro Selo mine on 18 July last year, something that has seriously threatened exploitation. It is alleged that residents are stopping the bulldozers every day and there have also been cases of stone-throwing at workers and specialists who were carrying out work.